

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

Consolidated Financial Statements as of
and for the Years Ended December 31,
2025, 2024 and 2023, and Independent
Auditors' Report Dated January 31, 2026



Alpek, S. A. B. de C. V. and Subsidiaries
Independent Auditors' Report and Consolidated
Financial Statements as of and for the Years Ended
December 31, 2025, 2024 and 2023

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Independent Auditors' Report to the Board of Directors and Stockholders of Alpek, S. A. B. de C. V. and Subsidiaries

(Figures in millions of Mexican pesos "\$" and millions of U.S. dollars "US\$")

Opinion

We have audited the consolidated financial statements of Alpek, S. A. B. de C. V. and Subsidiaries ("Alpek" or the "Company"), which comprise the consolidated statements of financial position as of December 31, 2025, 2024 and 2023, the consolidated statements of income, the consolidated statements of comprehensive income, the consolidated statements of changes in stockholders' equity and the consolidated statements of cash flows for the years then ended, and the notes to the consolidated financial statements, including material accounting policies information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Alpek, S. A. B. de C. V. and Subsidiaries as of December 31, 2025, 2024 and 2023, and their consolidated financial performance and consolidated cash flows for the years then ended, in accordance with IFRS Accounting Standards, as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audits in accordance with International Standards on Auditing ("ISA"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") together with the Code of Ethics issued by the Mexican Institute of Public Accountants ("IMCP Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and with the IMCP Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matters

The accompanying consolidated financial statements have been translated from Spanish to English for the convenience of readers.

Emphasis Paragraphs

Merger of the Company with Controladora Alpek, S.A.B. de C.V. ("Controladora Alpek")

As disclosed in Note 2 to the accompanying consolidated financial statements, on November 25, 2025, the Company held an Extraordinary Shareholders' Meeting in which, among other matters, the merger of Controladora Alpek into the Company was approved, subject to certain conditions. Pursuant to the foregoing, Controladora Alpek would cease to exist and its shares would be cancelled, while the Company would remain as the surviving entity, and the number of outstanding shares would remain unchanged, except for any excess shares resulting from the application of the exchange ratio that are determined to be cancelled, as well as for the cancellation of shares derived from the Company's share repurchase program. The merger became fully effective on November 26, 2025.



Beginning on December 9, 2025 (the "Exchange Date"), the shares representing the Company's capital stock that were previously owned by Controladora Alpek were delivered to the shareholders of Controladora Alpek at an exchange ratio of 0.309933698216403 Company shares for each share of Controladora Alpek. On the same date, the listing of the shares representing the capital stock of Controladora Alpek on the Mexican Stock Exchange was cancelled, and the merger process was completed. The effects of this merger on the Company's financial information are presented in the Consolidated Statements of Changes in Stockholders' Equity.

Since this transaction involved a merger between a subsidiary (Alpek) and its holding company (Controladora Alpek), it was accounted for as a transaction between entities under common control, incorporating Controladora's historical carrying amounts of assets and liabilities into Alpek. Our opinion has not been modified as a result of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that the matter described below is the key audit matter that should be reported in our report.

Recognition of revenue in subsidiaries

The amount of the Company's revenue has a high degree of dependence on the adequacy of management's assessment regarding the point in time when control of the goods is considered to have been transferred to its customers, which is highly related to the contractually agreed-upon terms of sale, said terms vary among Alpek's subsidiaries.

Due to the significance of the evaluation that the Company's management must perform at each reporting period to identify the moment when the performance obligation is satisfied for revenue recognition, we consider this to represent a key audit matter.

How our audit addressed this key audit matter:

To carry out audit procedures that mitigate the identified risk in a reasonable manner, we include, among others, the following procedures:

- We identified and assessed the risks of material misstatement related to revenue recognition, including the risk of fraud.
- We tested design and implementation, as well as operating effectiveness of relevant controls that mitigate the risks.
- We determined the scope for subsidiaries aiming to reduce the risk to an acceptably low level.
- We designed and performed substantive tests of details and substantive analytical procedures.
- We directed, supervised, and reviewed the work of component auditors.
- We reviewed compliance with the presentation and disclosure requirements set forth in the accounting standard IFRS 15, *Revenue from Contracts with Customers*.

The results of our procedures were satisfactory.

Information other than the consolidated financial statements and auditor's report thereon

The Company's management is responsible for the additional information presented. Additional information includes: i) the sustainability-related information that the Company is required to prepare in accordance with Article 33, Section I, subsection (a); ii) the information that will be incorporated in the annual report that the Company is required to prepare in accordance with Article 33, section I, subsection b) of Title Four, Chapter One of the General Provisions Applicable to Issuers and other Participants of the Stock Market in México and the Instructions that accompany these provisions (the "Provisions"), which is expected that the Annual Stock Exchange Filing and the annual report to be available for reading after the date of this audit report; and iii) other additional information, which is a measure that is not required by IFRS Accounting Standards of accounting, and has been incorporated for the purpose of providing additional explanation to its investors and main readers of its consolidated financial statements to evaluate the performance of each of the operating segments and other indicators on the capacity to meet obligations regarding the earnings before interest, taxes, depreciation, amortization and non-current asset impairment ("adjusted EBITDA") of the Company; this information is presented in Note 29.



Our opinion of the consolidated financial statements will not cover the additional information and we will not express any form of assurance about it.

In connection with our audit of the consolidated financial statements, our responsibility will be to read the additional information, when it becomes available, and when we do so, to consider whether the additional information contained therein is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or appears to contain a material misstatement. When we read the Annual Report, we will issue the declaration on its reading, required in Article 33, Section I, subsection b) number 1.2 of the Provisions. Also, and in connection with our audit of the consolidated financial statements, our responsibility is to read and recalculate the additional information, which in this case is the measure not required by IFRS Accounting Standards of accounting, and in doing so, consider whether the other information contained therein is materially inconsistent with the consolidated financial statements or our knowledge obtained during the audit, or appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in the additional information; we would be required to report that fact. As of the date of this report, we have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards of accounting issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those responsible with Company's governance are responsible for overseeing the Company's consolidated financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient audit evidence regarding the financial information of the entities or business units within Alpek as a basis for forming an opinion on the group's financial statements. We are responsible for the direction, supervision, and review of the audit work performed for the purposes of Alpek's group audit. We are solely responsible for our audit opinion.

We communicate with those charged with governance in the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance in the Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance in the Company, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Galaz, Yamazaki, Ruiz Urquiza, S.C.
Affiliate of a member firm of Deloitte Touche Tohmatsu Limited



C. P. C. Jesús Israel Almaguer Gámez
Monterrey, Nuevo León, México
January 31, 2026



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

Consolidated Statements of Financial Position

As of December 31, 2025, 2024 and 2023
In millions of Mexican pesos

	Note	2025	2024	2023
Assets				
Current assets:				
Cash and cash equivalents	6	\$ 8,043	\$ 6,216	\$ 7,391
Restricted cash	6	7	386	8
Trade and other accounts receivable, net	7	14,424	18,431	17,473
Inventories	8	23,434	28,244	23,322
Derivative financial instruments	4	148	10	86
Prepayments	9	993	885	744
Total current assets		<u>47,049</u>	<u>54,172</u>	<u>49,024</u>
Non-current assets:				
Restricted cash	6	-	-	314
Property, plant and equipment, net	10	40,876	46,317	40,952
Right-of-use asset, net	11	3,005	3,737	3,170
Goodwill and intangible assets, net	12	2,894	3,675	3,494
Deferred income taxes	20	1,989	4,140	1,334
Derivative financial instruments	4	10	5	9
Prepayments	9	16	12	6
Investments accounted for using the equity method and other non-current assets	13	2,905	4,659	4,381
Total non-current assets		<u>51,695</u>	<u>62,545</u>	<u>53,660</u>
Total assets		<u>\$ 98,744</u>	<u>\$ 116,717</u>	<u>\$ 102,684</u>
Liabilities and Stockholders' Equity				
Current liabilities:				
Debt	16	\$ 2,131	\$ 1,636	\$ 689
Lease liability	17	880	944	701
Trade and other accounts payable	15	25,416	31,336	27,129
Income taxes payable	20	238	433	390
Derivative financial instruments	4	304	802	253
Provisions	18	258	199	749
Total current liabilities		<u>29,227</u>	<u>35,350</u>	<u>29,911</u>
Non-current liabilities:				
Debt	16	35,549	38,934	32,648
Lease liability	17	2,482	3,160	2,755
Derivative financial instruments	4	4	37	12
Provisions	18	1,009	1,651	739
Deferred income taxes	20	1,933	3,075	2,024
Employee benefits	19	832	854	880
Other non-current liabilities	21	123	151	493
Total non-current liabilities		<u>41,932</u>	<u>47,862</u>	<u>39,551</u>
Total liabilities		<u>71,159</u>	<u>83,212</u>	<u>69,462</u>
Stockholders' equity				
Controlling interest:				
Capital stock	22	5,956	6,019	6,019
Share premium		8,145	8,908	8,909
Retained earnings		10,372	13,777	17,298
Other reserves		(1,621)	(451)	(3,534)
Total controlling interest		<u>22,852</u>	<u>28,253</u>	<u>28,692</u>
Non-controlling interest	14	4,733	5,252	4,530
Total stockholders' equity		<u>27,585</u>	<u>33,505</u>	<u>33,222</u>
Total liabilities and stockholders' equity		<u>\$ 98,744</u>	<u>\$ 116,717</u>	<u>\$ 102,684</u>

The accompanying notes are an integral part of these consolidated financial statements.



Alpek, S. A. B. de C. V. and Subsidiaries
Consolidated Statements of Income

For the years ended December 31, 2025, 2024 and 2023
In millions of Mexican pesos, except for losses per share amounts

	Note	2025	2024	2023
Revenues	29	\$126,840	\$137,409	\$138,159
Cost of sales	24	<u>(118,783)</u>	<u>(125,721)</u>	<u>(127,863)</u>
Gross profit		8,057	11,688	10,296
Selling expenses	24	(1,755)	(2,012)	(2,132)
Administrative expenses	24	(3,825)	(3,997)	(3,718)
Other loss, net	25	<u>(455)</u>	<u>(509)</u>	<u>(10,883)</u>
Operating income (loss)		2,022	5,170	(6,437)
Financial income	26	678	869	1,317
Financial expenses	26	(3,783)	(4,449)	(3,982)
Gain (Loss) due to exchange fluctuation, net	26	743	(2,340)	(3)
Financial result, net		<u>(2,362)</u>	<u>(5,920)</u>	<u>(2,668)</u>
Equity in loss of associates and joint ventures recognized using the equity method		<u>4</u>	<u>(44)</u>	<u>(201)</u>
Loss before taxes		(336)	(794)	(9,306)
Income taxes	20	<u>(1,880)</u>	<u>582</u>	<u>(727)</u>
Net consolidated loss		<u>\$ (2,216)</u>	<u>\$ (212)</u>	<u>\$ (10,033)</u>
Loss attributable to:				
Controlling interest		\$ (2,774)	\$ (765)	\$(10,914)
Non-controlling interest		<u>558</u>	<u>553</u>	<u>881</u>
		<u>\$ (2,216)</u>	<u>\$ (212)</u>	<u>\$ (10,033)</u>
Losses per basic and diluted share, in Mexican pesos		<u>\$ (1.32)</u>	<u>\$ (0.36)</u>	<u>\$ (5.18)</u>
Weighted average outstanding shares (millions of shares)		<u>2,101</u>	<u>2,107</u>	<u>2,107</u>

The accompanying notes are an integral part of these consolidated financial statements.



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

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2025, 2024 and 2023
In millions of Mexican pesos

	Note	2025	2024	2023
Net consolidated loss		\$ (2,216)	\$ (212)	\$(10,033)
Other comprehensive (loss) income for the year:				
<i>Items that will not be reclassified to the statement of income:</i>				
Remeasurement of employee benefit obligations, net of taxes	19, 20	50	98	5
<i>Items that will be reclassified to the statement of income:</i>				
Equity in other comprehensive income of associates and joint ventures recognized through the equity method		(1)	1	(1)
Effect of derivative financial instruments designated as cash flow hedges, net of taxes	4, 20	499	(452)	765
Translation effect of foreign entities	4, 20	(2,328)	4,345	(5,923)
Total other comprehensive (loss) income for the year		(1,780)	3,992	(5,154)
Consolidated comprehensive (loss) income		<u>\$ (3,996)</u>	<u>\$ 3,780</u>	<u>\$(15,187)</u>
Attributable to:				
Controlling interest		\$ (3,944)	\$ 2,318	\$(15,381)
Non-controlling interest		(52)	1,462	194
Comprehensive (loss) income for the year		<u>\$ (3,996)</u>	<u>\$ 3,780</u>	<u>\$(15,187)</u>

The accompanying notes are an integral part of these consolidated financial statements.



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

Consolidated Statements of Changes in Stockholders' Equity

For the years ended December 31, 2025, 2024 and 2023

In millions of Mexican pesos

	Capital stock	Share premium	Retained earnings	Other reserves	Total controlling interest	Non- controlling interest	Total stockholders' equity
Balance as of January 1, 2023	\$ 6,021	\$ 8,917	\$ 31,032	\$ 933	\$ 46,903	\$ 5,291	\$ 52,194
Net loss	-	-	(10,914)	-	(10,914)	881	(10,033)
Total other comprehensive loss for the year	-	-	-	(4,467)	(4,467)	(687)	(5,154)
Comprehensive loss	-	-	(10,914)	(4,467)	(15,381)	194	(15,187)
Dividends declared	-	-	(2,866)	-	(2,866)	(955)	(3,821)
Reissuance of shares	36	176	-	-	212	-	212
Repurchase of shares	(38)	(184)	-	-	(222)	-	(222)
Other	-	-	46	-	46	-	46
Balance as of December 31, 2023	6,019	8,909	17,298	(3,534)	28,692	4,530	33,222
Net loss	-	-	(765)	-	(765)	553	(212)
Total other comprehensive loss for the year	-	-	-	3,083	3,083	909	3,992
Comprehensive loss	-	-	(765)	3,083	2,318	1,462	3,780
Dividends declared	-	-	(2,634)	-	(2,634)	(776)	(3,410)
Reissuance of shares	31	108	-	-	139	-	139
Repurchase of shares	(31)	(109)	-	-	(140)	-	(140)
Other	-	-	(122)	-	(122)	36	(86)
Balance as of December 31, 2024	6,019	8,908	13,777	(451)	28,253	5,252	33,505
Net loss	-	-	(2,774)	-	(2,774)	558	(2,216)
Total other comprehensive loss for the year	-	-	-	(1,170)	(1,170)	(610)	(1,780)
Comprehensive loss	-	-	(2,774)	(1,170)	(3,944)	(52)	(3,996)
Dividends declared	-	-	-	-	-	(668)	(668)
Repurchase of shares	(17)	(60)	-	-	(77)	-	(77)
Merger Effects (note 2a)	-	-	(1,416)	-	(1,416)	-	(1,416)
Cancellation of shares (note 22)	(46)	(703)	749	-	-	-	-
Business acquisitions	-	-	-	-	-	244	244
Other	-	-	36	-	36	(43)	(7)
Balance as of December 31, 2025	\$ 5,956	\$ 8,145	\$ 10,372	\$ (1,621)	\$ 22,852	\$ 4,733	\$ 27,585

The accompanying notes are an integral part of these consolidated financial statements.



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

Consolidated Statements of Cash Flows

For the years ended December 31, 2025, 2024 and 2023

In millions of Mexican pesos

	2025	2024	2023
Cash flows from operating activities			
Loss before income taxes	\$ (336)	\$ (794)	\$ (9,306)
Depreciation and amortization	5,158	4,767	4,619
Impairment of long-lived assets	924	1,791	11,078
Allowance for doubtful accounts	(21)	(17)	(101)
Financial result, net	1,387	4,678	2,007
Gain on business combinations	-	(47)	-
(Loss) gain on sale of property, plant and equipment	(80)	(27)	66
Statutory employee profit sharing, provisions and other items	(375)	(403)	2,247
Subtotal	<u>6,657</u>	<u>9,948</u>	<u>10,610</u>
Movements in working capital			
(Increase) decrease in trade receivables and other assets	1,304	2,910	(2,107)
Decrease (increase) in inventories	3,047	(2,482)	6,623
Increase (decrease) in trade and other accounts payable	(2,313)	(2,746)	4,296
Income taxes paid	(1,080)	(1,372)	(4,398)
Net cash flows generated from operating activities	<u>7,615</u>	<u>6,258</u>	<u>15,024</u>
Cash flows from investing activities			
Interest collected	430	670	1,258
Cash flows in acquisition of property, plant and equipment	(2,422)	(2,016)	(2,501)
Cash flows in sale of property, plant and equipment	33	61	13
Cash flows in acquisition of intangible assets	(73)	(18)	(40)
Cash flows in sale of intangible assets	55	-	-
Cash flows in business acquisition, net of cash acquired	(618)	1	(512)
Cash flows paid in investment in associates and joint ventures	(222)	(250)	(1,925)
Loans granted to related parties	-	(216)	(65)
Notes receivable	129	(67)	-
Collection of notes	58	128	273
Restricted cash	359	1	179
Net cash flows used in investing activities	<u>(2,271)</u>	<u>(1,706)</u>	<u>(3,320)</u>
Cash flows from financing activities			
Proceeds from debt	38,454	16,470	36,732
Payments of debt	(36,322)	(15,966)	(37,104)
Lease payments	(1,516)	(1,269)	(1,170)
Interest paid	(2,555)	(2,595)	(3,059)
Dividends paid by Alpek, S. A. B. de C. V.	-	(2,537)	(2,966)
Dividends paid by subsidiaries to non-controlling interest	(668)	(776)	(955)
Repurchase of shares	(152)	(140)	(222)
Reissuance of shares	75	139	212
Others	(7)	-	-
Net cash flows used in financing activities	<u>(2,691)</u>	<u>(6,674)</u>	<u>(8,532)</u>
Increase (decrease) in cash and cash equivalents	2,653	(2,122)	3,172
Effect of changes in exchange rates	(826)	947	(2,100)
Cash and cash equivalents at the beginning of the year	<u>6,216</u>	<u>7,391</u>	<u>6,319</u>
Cash and cash equivalents at the end of the year	<u>\$ 8,043</u>	<u>\$ 6,216</u>	<u>\$ 7,391</u>

The accompanying notes are an integral part of these consolidated financial statements.



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

Notes to the Consolidated Financial Statements

As of and for the years ended December 31, 2025, 2024 and 2023

Millions of Mexican pesos, except where otherwise indicated

1. General information

Alpek, S. A. B. de C. V. and Subsidiaries (“Alpek” or the “Company”), formerly a subsidiary of Controladora Alpek, S.A.B. de C.V. (“Controladora Alpek”) with which it merged on November 26, 2025 (see Note 2 a), with Alpek remaining as the merging and surviving entity, is a petrochemical company with operations through two major business segments: “Polyester” and “Plastics and Chemicals”. The Polyester segment comprises the production of purified terephthalic acid (“PTA”), polyethylene terephthalate (“PET”), recycled PET (“rPET”), and polyester fibers, which are mainly used for food and beverage packaging, textile and industrial filament markets. The Plastics & Chemicals business segment comprises the production of polypropylene (“PP”), expandable styrene (“EPS” and “Arcel®”), fertilizers and other chemicals, which serves a wide range of markets, including the consumer goods, automotive, construction, agriculture, pharmaceutical and other markets.

Alpek is one of the largest petrochemical companies in México and one of the largest in Latin America. Additionally, it is the main integrated producer of polyester and one of the main producers of rPET in America. It operates the largest EPS plant in the continent, and one of the largest PP plants in North America.

When reference is made to the controlling entity Alpek, S.A.B. de C.V. as an individual legal entity, it will be referred to as “Alpek SAB”.

The shares of Alpek SAB are traded on the Mexican Stock Exchange (“MSE”) and previously had Sigma Foods, S. A. B. de C. V. (“Sigma Foods”) (formerly known as “Alfa S. A. B. de C. V.”) as its main holding company. As of December 31, 2025, 2024 and 2023, the percentage of shares that traded on the MSE was 96%, 17.37%, and 17.37%, respectively.

Alpek SAB is located at Avenida Gómez Morín Sur No. 1111, Col. Carrizalejo, San Pedro Garza García, Nuevo León, México and operates productive plants located in México, the United States of America, Oman, Saudi Arabia, Canada, Argentina, Chile, Brazil and United Kingdom.

In the following notes to the financial statements when referring to pesos or “\$”, it means millions of Mexican pesos. When referring to dollars or “US\$”, it means millions of dollars from the United States of America. When referring to Euros or “€” it means millions of Euros.

2. Significant events

2025

a. Merger with Controladora Alpek, S.A.B. de C.V

On November 25, 2025, the Company held an Extraordinary Shareholders’ Meeting at which, among other matters, the merger of Controladora Alpek, S.A.B. de C.V. into the Company was approved, subject to certain conditions. As a result, Controladora Alpek would cease to exist and its shares would be cancelled, while the Company would remain as the surviving entity and the number of the Company’s outstanding shares would remain unchanged, except for any excess shares resulting from the application of the exchange ratio which—if so resolved—would be cancelled, as well as for the cancellation of shares derived from the Company’s share repurchase program. The merger became fully effective on November 26, 2025.

Effective December 9, 2025 (the “Exchange Date”), the shares representing the Company’s capital stock, previously held by Controladora Alpek, were delivered to the shareholders of Controladora Alpek at an exchange ratio of 0.309933698216403 Company shares for each Controladora Alpek share. On the same date, the listing of Controladora Alpek’s shares on the Mexican Stock Exchange was cancelled, marking the completion of the merger process.

Since this transaction involved a merger between a subsidiary (Alpek) and its holding company (Controladora Alpek), it was accounted for as a transaction between entities under common control, incorporating Controladora’s historical carrying amounts of assets and liabilities into Alpek.



b. *Suspension of operations at PET plant in North Carolina*

On May 30, 2025, the Company announced its plans to cease operations at its Cedar Creek plant in Fayetteville, North Carolina, effective July 31, 2025.

The Company recognized impairment of \$362 (US\$19) and \$14 (US\$0.8) for fixed assets and right of use assets, respectively, for the year ended December 31, 2025.

c. *Conclusion of the Spin-off of Alfa's Equity Interest in Alpek and Creation of Controladora Alpek*

On March 27, 2025, Alpek announced that Alfa, S.A.B. de C.V. received authorization from the National Banking and Securities Commission ("CNBV") for the registration of Controladora Alpek's shares in the National Securities Registry.

The distribution of Controladora Alpek's shares represents the conclusion of the spin-off process approved by Alfa's shareholders on October 24, 2024. As a result of this transaction, ALFA's shareholders will receive one share of Controladora Alpek for each Alfa share they hold as of market close on April 4, 2025. The number of Alpek shares remains unchanged. Controladora Alpek began trading on the Mexican Stock Exchange on April 7, 2025.

2024

d. *Approval of the spin-off of Alfa's equity interest in Alpek and the creation of Controladora Alpek*

On October 24, 2024, the Shareholders' Meeting of Alfa SAB approved the spin-off of its entire equity interest in Alpek.

The process was subject to certain suspensive conditions, including the registration of Controladora Alpek as a listed issuer on the Stock Exchange, which has not been completed as of December 31, 2024.

e. *Suspension of EPS operations in Beaver Valley*

On November 4, 2024, the Company announced its plans to suspend production at its Beaver Valley EPS facility in Monaca, Pennsylvania, by January 2025.

The Company recognized impairment of inventories and fixed assets amounting to \$96.5 (US\$4.8) and \$1,191 (US\$58.7), respectively, for the year ended December 31, 2024.

2023

f. *Interruption for an indefinite term of Cooper River's PET resin production*

On March 1, 2023, the Company announced the indefinite interruption of PET resin production at its Cooper River plant, located in Charleston, South Carolina. The plant had an installed capacity of 170,000 tons of PET resin.

The Company started the process of decommissioning and dismantling of assets, as well as environmental cleanup and remediation, which is why the Company registered provisions for these concepts for \$379 (US\$20.8). Additionally, the Company had other direct costs attributable to the closure, mainly for severance pay and cancellation of contracts for \$169 (US\$9.1).

Derived from the interruption in production, the Company performed impairment tests on the fixed assets associated with the plant and recorded an impairment charge related to these assets of \$950 (US\$51.9). Additionally, it recognized and inventory impairment of \$63 (US\$3.4).

g. *US\$200 million loan linked to sustainability*

On August 3, 2023, Alpek announced that it refinanced the outstanding balance of the bond due in August 2023, with bank debt that includes a US\$200 Sustainability Linked Credit maturing in 2028.

The loan incorporates a pricing mechanism that incentivizes progress on two of the Company's ESG objectives:

- Reduction in carbon emissions Scope 1, 2 and 3.
- Reduction in its incidence rate for its employees and contractors.



h. Closure of the filament production plant

On August 18, 2023, the Company announced the closure of its textile and industrial fiber production plant located in Monterrey. Alpek made the decision to close operations at these facilities and not replace their production because the excess production experienced worldwide in recent years has represented a significant reduction in its profitability for the filament industry and it is not expected that this situation will change in the near future.

The Company recognized an impairment of inventories and fixed assets for \$121 (US\$7) and \$409 (US\$23.7), respectively, for the year ended December 31, 2023. Additionally, it had impacts due to employee terminations for \$193 (US\$11.1).

i. Corpus Christi Polymers construction pause

On September 27, 2023, Alpek announced that Corpus Christi Polymers (“CCP”) temporarily paused construction of the integrated PTA-PET plant in Corpus Christi, Texas. The partners decided to pause it because high inflation rates and other factors caused construction and labor costs to exceed initial expectations. Options will also be evaluated to optimize the project's costs and schedule. This site will be adequately preserved so that construction can resume in the future.

Based on the requirements of IAS 28 and IAS 36, the Company identified that the pause in construction of the plant generated signs of impairment on its investment in the joint venture. Alpek determined through the discounted cash flow model and considering the decisions of its Board of Directors, to recognize an impairment of its investment in the joint venture of \$9,591 (US\$557) for the year ended December 31, 2023.

As of December 31, 2024, construction of the integrated PTA-PET plant in Corpus Christi, Texas, remains on pause.

3. Summary of material accounting policies

The following are the material accounting policies followed by the Company and its subsidiaries, which have been consistently applied in the preparation of their financial information in the years presented, unless otherwise specified:

a) Basis of preparation

The consolidated financial statements of Alpek have been prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”). IFRS include all International Accounting Standards (“IAS”) in force and all related interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”), including those previously issued by the Standing Interpretations Committee (“SIC”).

The consolidated financial statements have been prepared on a historical cost basis, except for the cash flow hedges, which are measured at fair value, and for the financial assets and liabilities at fair value through profit or loss with changes reflected in the consolidated statement of income and for financial assets available for sale.

The preparation of the consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. Additionally, it requires Management to exercise judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where judgments and estimates are significant to the consolidated financial statements are disclosed in Note 5.

b) Consolidation

i. Subsidiaries

The subsidiaries are all the entities over which the Company has control. The Company controls an entity when it is exposed or has the right to variable returns from its interest in the entity and it is capable of affecting the returns through its power over the entity. When the Company's participation in subsidiaries is less than 100%, the share attributed to outside stockholders is reflected as non-controlling interest. Subsidiaries are fully consolidated from the date on which control is transferred to the Company and up to the date it loses such control.



The accounting method used by the Company for business combinations is the acquisition method. The Company defines a business combination as a transaction through which it obtains control over a business, whereby it has the power to steer and manage the relevant operations of all assets and liabilities of the business with the purpose of providing a return in the form of dividends, lower costs or other economic benefits directly to investors.

The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Company. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable acquired assets and liabilities and contingent liabilities assumed in a business combination are initially measured at their fair values at the acquisition date. The Company recognizes any non-controlling interest in the acquiree based on the share of the non-controlling interest in the net identifiable assets of the acquired entity.

The Company accounts for business combinations of entities using the predecessor method in a jointly controlled entity. The predecessor method involves the incorporation of the carrying amounts of the acquired entity, which includes the goodwill recognized at the consolidated level with respect to the acquiree. Any difference between the carrying value of the net assets acquired at the level of the subsidiary and its carrying amount at the level of the Company is recognized in stockholders' equity.

The acquisition-related costs are recognized as expenses in the consolidated statement of income when incurred.

Goodwill is initially measured as excess of the sum of the consideration transferred and the fair value of the non-controlling interest over the net identifiable assets and liabilities assumed. If the consideration transferred is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognized directly in the consolidated statement of income.

If the business combination is achieved in stages, the value in books at the acquisition date of the equity previously held by the Company in the acquired entity is remeasured at its fair value at the acquisition date. Any loss or gain resulting from such remeasurement is recorded in the consolidated income of the year.

Transactions, intercompany balances and unrealized gains on transactions between Alpek's companies are eliminated in preparing the consolidated financial statements. Alpek's subsidiaries consistently apply the accounting policies as those disclosed in these consolidated financial statements.

As of December 31, 2025, 2024 and 2023, the main companies that comprise the consolidated financial statements of the Company are as follows:

	Country ⁽¹⁾	Ownership percentage (%) ⁽²⁾			Functional Currency
		2025	2024	2023	
Alpek, S. A. B. de C. V. (Holding Company)					Mexican peso
Alpek Polyester, S. A. de C. V. (Holding Company)		100	100	100	US dollar
Alpek Polyester USA, LLC ⁽³⁾	USA	100	100	100	US dollar
Alpek Polyester México, S.A. de C.V. ⁽⁴⁾		100	100	100	US dollar
DAK Américas Exterior, S. L. (Holding Company)	Spain	100	100	100	US dollar
Alpek Polyester Argentina S. A. ⁽⁵⁾	Argentina	100	100	100	US dollar
Compagnie Alpek Polyester Canada (Selenis)	Canada	100	100	100	US dollar
Tereftalatos Mexicanos, S. A. de C. V. (Temex)		91	91	91	US dollar
Akra Polyester, S. A. de C. V.		93	93	93	US dollar
Alpek Polyester Pernambuco S. A. ⁽⁶⁾	Brazil	100	100	100	Brazilian real
Alpek Polyester Brasil S. A. ⁽⁷⁾	Brazil	100	100	100	Brazilian real
Indelpro, S. A. de C. V. (Indelpro)		51	51	51	US dollar
Poliolos, S. A. de C. V. (Poliolos)		50	50	50	US dollar
Grupo Styropek, S. A. de C. V. (Holding Company)		100	100	100	Mexican peso
Styropek México, S. A. de C. V.		100	100	100	US dollar
Styropek, S. A.	Argentina	100	100	100	Argentine peso
Aislapol, S. A.	Chile	100	100	100	Chilean peso
Styropek do Brasil, LTD	Brazil	100	100	100	Brazilian real
Unimor, S. A. de C. V. (Holding Company)		100	100	100	Mexican peso
Univex, S. A.		100	100	100	Mexican peso
Alpek Polyester UK LTD	United Kingdom	100	100	100	Pound sterling
BVPV Styrenics LLC	USA	100	100	100	US dollar
Octal	Oman	100	100	100	US dollar
Clear Path Recycling, LLC ⁽⁷⁾	USA	100	100	-	US dollar
Agua Industrial del Poniente, S.A. de C.V. ⁽⁶⁾		72	56	-	Mexican peso
Terza S.A. de C.V. ⁽⁸⁾		50	-	-	Mexican peso



- (1) Companies incorporated in México, except those indicated.
- (2) Ownership percentage that Alpek has in the holding companies and ownership percentage that such holding companies have in the companies integrating the groups. Ownership percentages and the voting rights are the same.
- (3) During 2023, DAK Americas LLC changed its legal name to Alpek Polyester USA, LLC.
- (4) During 2023, Dak Resinas Américas México, S.A. de C.V. changed its legal name to Alpek Polyester México, S.A. de C.V.
- (5) On March 1, 2024, Alpek Polyester Argentina, S.A. changed its functional currency. As of and for the year ended December 31, 2023, the functional currency was the Argentine peso.
- (6) On June 13, 2024, Alpek obtained control over this investment in associates, holding 55.6% of the shareholding as of December 31, 2024. The shareholding as of December 31, 2023 and 2022 was 47.6%.
- (7) On September 1, 2024, Alpek obtained control over this investment in associates, holding 100% of the shareholding as of December 31, 2024. The shareholding as of December 31, 2023 was 49.9%.
- (8) Entity acquired during 2025 (Note 14).

As of December 31, 2025, 2024 and 2023, there are no significant restrictions for investment in shares of subsidiary companies mentioned above.

ii. Absorption (dilution) of control in subsidiaries

The effect of absorption (dilution) of control in subsidiaries, in example, an increase or decrease in the percentage of control, is recorded in stockholders' equity, directly in retained earnings, in the period in which the transactions that cause such effects occur. The effect of absorption (dilution) of control is determined by comparing the book value of the investment before the event of dilution or absorption against the book value after the relevant event. In the case of loss of control, the dilution effect is recognized in the consolidated income.

When the Company issues purchase obligations on certain non-controlling interests in a consolidated subsidiary and non-controlling stockholders retain the risks and awards on these shares in the consolidated subsidiary, these are recognized as financial liabilities for the present value of the refundable amount of the options, initially recorded with a corresponding reduction in the stockholders' equity, and subsequently accruing through financial charges to income during the contractual period.

iii. Sale or disposal of subsidiaries

When the Company ceases to have control any retained interest in the entity is re-measured at fair value, and the change in the carrying amount is recognized in the consolidated statement of income. The fair value is the initial carrying value for the purposes of accounting for any subsequent retained interest in the associate, joint venture or financial asset. Any amount previously recognized in comprehensive income in respect of that entity is accounted for as if the Company had directly disposed of the related assets and liabilities. This results in the amounts previously recognized in the consolidated comprehensive income being reclassified to the consolidated income for the year.

iv. Associates

Associates are all entities over which the Company has significant influence but not control. Generally, an investor must hold between 20% and 50% of the voting rights in an investee for it to be an associate. Investments in associates are accounted for using the equity method and are initially recognized at cost. The Company's investment in associates includes goodwill identified at acquisition, net of any accumulated impairment loss.

If the equity in an associate is reduced but significant influence is maintained, only a portion of the amounts recognized in the consolidated comprehensive income are reclassified to the consolidated income for the year, where appropriate.



The Company's share of profits or losses of associates post-acquisition is recognized in the consolidated statement of income and its share in the consolidated other comprehensive income of associates is recognized as other consolidated comprehensive income. When the Company's share of losses in an associate, equals or exceeds its equity in the associate, including unsecured receivables, the Company does not recognize further losses unless it has incurred obligations or made payments on behalf of the associate.

The Company assesses at each reporting date whether there is objective evidence that the investment in the associate is impaired.

Unrealized gains on transactions between the Company and its associates are eliminated to the extent of the Company's equity in such gains. Unrealized losses are also eliminated unless the transaction provides evidence that the asset transferred is impaired. In order to ensure consistency with the policies adopted by the Company, the accounting policies of associates have been modified. When the Company ceases to have significant influence over an associate, any difference between the fair value of the remaining investment, including any consideration received from the partial disposal of the investment and the book value of the investment is recognized in the consolidated statement of income.

v. **Joint ventures**

Joint arrangements are those where there is joint control since the decisions over relevant activities require the unanimous consent of each one of the parties sharing control.

Investments in joint arrangements are classified in accordance with the contractual rights and obligations of each investor such as: joint operations or joint ventures. When the Company holds the right over assets and obligations for related assets under a joint arrangement, this is classified as a joint operation. When the company holds rights over net assets of the joint arrangement, this is classified as a joint venture. The Company has assessed the nature of its joint arrangements and classified them as joint ventures. Joint ventures are accounted for by using the equity method applied to an investment in associates.

The Company evaluates at each reporting date whether there is objective evidence that there are indications of impairment on the joint agreement. If there are indications, it determines the recoverable value based on the requirements of IAS 36 and recognizes an impairment if such recoverable value is below the carrying amount of the joint agreement.

c) **Foreign currency translation**

i. **Functional and presentation currency**

The amounts included in the financial statements of each of the Company's subsidiaries, associates and joint ventures should be measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Mexican pesos.

When there is a change in the functional currency of one of the subsidiaries, according to International Accounting Standard 21, *Effects of Changes in Foreign Exchange Rates* ("IAS 21"), this change is accounted for prospectively, translating at the date of the functional currency change, all assets, liabilities, equity, and income items at the exchange rate of that date.

ii. **Transactions and balances**

Transactions in foreign currencies are translated into the functional currency using the foreign exchange rates prevailing at the transaction date or valuation date when the amounts are re-measured. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing exchange rates are recognized as foreign exchange gain or loss in the consolidated statement of income, except for those which are deferred in comprehensive income and qualify as cash flow hedges.

Changes in the fair value of securities or monetary financial assets denominated in foreign currency classified as available for sale are divided between fluctuations resulting from changes in the amortized cost of such securities and other changes in value. Subsequently, currency fluctuations are recognized in income and changes in the carrying amount arising from any other circumstances are recognized as part of comprehensive income.



iii. Translation of subsidiaries with recording currency other than the functional currency

The financial statements of foreign subsidiaries having a recording currency different from their functional currency were translated into the functional currency in accordance with the following procedure:

- a) The balances of monetary assets and liabilities denominated in the recording currency were translated at the closing exchange rate.
- b) To the historical balances of monetary assets and liabilities and stockholders' equity translated into the functional currency the movements that occurred during the period were added, which were translated at the historical exchange rates. In the case of the movements of non-monetary items recognized at fair value, which occurred during the period, stated in the recording currency, these were translated using the historical exchange rates in effect on the date when the fair value was determined.
- c) The income, costs and expenses of the periods, expressed in the recording currency, were translated at the historical exchange rate of the date they were accrued and recognized in the consolidated statement of income, except when they arose from non-monetary items, in which case the historical exchange rate of the non-monetary items was used.
- d) The exchange differences were recognized as income or expense in the consolidated statement of income in the period they arose.

iv. Translation of subsidiaries with functional currency other than the presentation currency

The results and financial position of all Company entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows, depending on whether the functional currency comes from a non-hyperinflationary or hyperinflationary environment:

Non-hyperinflationary environment

- a) Assets and liabilities for each statement of financial position presented are translated at the closing exchange rate at the date of the statement of financial position;
- b) Stockholders' equity of each statement of financial position presented is translated at historical exchange rate;
- c) Income and expenses for each statement of income are translated at average exchange rate (when the average exchange rate is not a reasonable approximation of the cumulative effect of the rates of the transaction, the exchange rate at the date of the transaction is used); and
- d) The resulting exchange differences are recognized in the consolidated statement of other comprehensive income as translation effect.

Hyperinflationary environment

- a) Assets, liabilities and equity in the statement of financial position, as well as income and expenses in the income statement, are translated at the closing exchange rate of the statement of financial position, after being restated in its functional currency (Note 3d); and
- b) Assets, liabilities, equity, income and expenses of the comparative period, are maintained according to the amount obtained in the translation of the year in question, that is, the financial statements of the preceding period. These amounts are not adjusted to subsequent exchange rates because the Company presents its financial information in Mexican pesos, which correspond to a currency of a non-hyperinflationary environment.



The primary exchange rates in the various translation processes are listed below:

Currency	Local currency to Mexican pesos					
	Closing exchange rate as of December 31,			Average annual exchange rate		
	2025	2024	2023	2025	2024	2023
US dollar	17.97	20.27	16.89	19.14	18.52	17.61
Argentine peso	0.01	0.02	0.02	0.02	0.02	0.07
Brazilian real	3.28	3.28	3.48	3.43	3.39	3.53
Chilean peso	0.02	0.02	0.02	0.02	0.02	0.02
Pound sterling	24.16	25.39	21.53	25.25	23.70	21.96

d) Hyperinflationary effects

As of July 1, 2018, the cumulative inflation from the prior 3 years in Argentina exceeded 100%; consequently, the Argentine peso was classified as a currency of a hyperinflationary economic environment. As a result, the financial statements of the subsidiaries located in that country, whose functional currency was the Argentine peso, were restated and adjusted for inflation in accordance with the requirements of the International Accounting Standard 29, *Financial Information in Hyperinflationary Economies* ("IAS 29"), and have been consolidated in compliance with the requirements of IAS 21. The purpose of applying these requirements is to consider changes in the general purchasing power of the Argentine peso in order to present the financial statements in the measuring unit current at the date of the statement of financial position. The financial statements before including any inflation adjustments were prepared using the historical cost method.

The Company determined the inflation adjustments in its consolidated financial statements in the following manner:

- a. The amounts corresponding to non-monetary items of each statement of financial position, which are not measured at the date of the statement of financial position at their fair value or net realizable value, as the case may be, are restated by applying to their historical cost the change of a general price index from the date of acquisition or the date of its last measurement at fair value, to the date of the statement of financial position;
- b. The amounts corresponding to monetary items of the statement of financial position are not restated;
- c. The components of stockholders' equity of each statement of financial position are restated:
 - 1) At the beginning of the first period of application of IAS 29, except for retained earnings, by applying the change of a general price index from the dates the components were originated to the date of restatement. Restated retained earnings are derived from all the other balances in the statement of financial position;
 - 2) At the end of the first period and in subsequent periods, all components of stockholders' equity are restated by applying a general price index from the beginning of the period or the date of contribution, if later.
- d. Revenues and expenses are restated by applying the change in the general price index, from the date on which the expenses and revenues were recognized, up to the reporting date.
- e. Gains or losses arising from the net monetary position are recognized in the consolidated statement of income.

The Company reflects the effects of hyperinflation on the financial information of its subsidiaries in Argentina using price indexes that are considered appropriate in accordance with Resolution JG 539/18 (the "Resolution") of the Argentine Federation of Professional Councils of Economic Sciences. This resolution establishes that a combination of price indexes should be used in the calculation of the effects of restatement of financial statements. Therefore, the Company has decided to use the Consumer Price Index ("CPI") to restate balances and transactions.

The net effects of the restatement of the financial statements of the subsidiaries located in Argentina were not material and are presented under the heading of "Financial result, net" for the years ended December 31, 2025, 2024 and 2023.



As of March 1, 2024, Alpek Polyester Argentina, S.A., subsidiary of the Company, changed its functional currency from the Argentine peso to the U.S. dollar as it has changed the way it operates, actively seeking risk coverage against future devaluations of the Argentine peso, contemplating a greater operation in U.S. dollars, likewise, there has been less restriction to enter into agreements and collect in a currency other than the Argentine peso, as a result of the elimination of barriers and restrictions that are triggered by Decree 70/2023 that strengthen the nature of the operation in US dollars, among other factors.

From the change in the functional currency, all transactions in currencies other than the functional currency are considered "foreign currency transactions". In accordance with the requirements of IAS 21, this change was applied prospectively, therefore Alpek Polyester Argentina converted its assets and liabilities to the new functional currency at the exchange rate of March 1, 2024, and ceased to apply the requirements of IAS 29, considering that the U.S. dollar is not a currency in a hyperinflationary environment.

e) Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank deposits available for operations and other short-term investments of high liquidity and high credit quality with original maturities of three months or less, all of which are subject to insignificant risk of changes in value. Bank overdrafts are presented as loans as part of the current liabilities.

f) Financial instruments

Financial assets

The Company subsequently classifies and measures its financial assets based on the Company's business model to manage financial assets, and on the characteristics of the contractual cash flows of such assets. This way financial assets can be classified at amortized cost, at fair value through other comprehensive income, and at fair value through profit or loss. Management determines the classification of its financial assets upon initial recognition. Purchases and sales of financial assets are recognized at settlement date.

Financial assets are entirely written off when the right to receive the related cash flows expires or is transferred, and the Company also has substantially transferred all the risks and rewards of its ownership, as well as the control of the financial asset.

Classes of financial assets

i. Financial assets at amortized cost

Financial assets at amortized cost are those that i) are held within a business model whose objective is to hold said assets in order to collect contractual cash flows; and ii) the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the amount of outstanding principal.

ii. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if it is mainly acquired for the purpose of being sold in the short term.

Derivatives are also classified as held for trading unless they are designated as hedges. In addition are those that do not meet the characteristics to be measured at amortized cost or fair value through other comprehensive income, since: i) they have a business model different to those that seek to collect contractual cash flows or collect contractual cash flows and sell the financial assets, or otherwise ii) the generated cash flows are not solely payments of principal and interest on the amount of outstanding principal.

Impairment of financial assets

The Company uses an impairment model based on expected credit losses rather than losses incurred, applicable to financial assets subject to such assessment (i.e., financial assets measured at amortized cost and at fair value through other comprehensive income), as well as lease receivables, contract assets, certain written loan commitments, and financial guarantee contracts. The expected credit losses on these financial assets are estimated from the initial recognition of the asset at each reporting date, using as a reference the past experience of the Company's credit losses, adjusted for factors that are specific to the debtors or groups of debtors, general economic conditions, and an assessment of both the current direction and the forecast of future conditions.



a. Trade receivables

The Company adopted the simplified expected loss calculation model, through which expected credit losses during the account receivable's lifetime are recognized.

The Company performs an analysis of its portfolio of customer receivables, in order to determine if there are significant customers for whom it requires an individual assessment; meanwhile, customers with similar characteristics that share credit risks (participation in the portfolio of accounts receivable, type of market, sector, geographic area, etc.), are grouped to be evaluated collectively.

In its impairment assessment, the Company may include indications that the debtors or a group of debtors are experiencing significant financial difficulties, and also observable data indicating that there is a significant decrease in the estimated cash flows to be received, including arrears.

For purposes of the historical estimate, the Company considers that the following constitutes an event of default, since historical experience indicates that financial assets are not recoverable when they meet any of the following criteria:

- The debtor does not fulfill its financial agreements; or
- Information obtained internally or from external sources indicates that it is unlikely that the debtor will pay its creditors, including the Company, in its entirety (without considering any guarantee held by the Company).

The Company defined the breach threshold as the period from which the recovery of the account receivable subjected to analysis is marginal, which is in line with internal risk management.

b. Other financial instruments

The Company recognizes credit losses expected during the asset's lifetime of all financial instruments for which credit risk has significantly increased since its initial recognition (assessed on a collective or individual basis), considering all the reasonable and sustainable information, including the one referring to the future. If at the presentation date, the credit risk a financial instrument has not significantly increased since its initial recognition, the Company calculates the loss allowance for that financial instrument as the amount of expected credit losses in the following 12 months.

In both cases, the Company recognizes in profit or loss of the period the decrease or increase in the expected credit loss allowance at the end of the period.

Management assesses the impairment model and the inputs used therein at least once every 3 months, in order to ensure that they remain in effect based on the current situation of the portfolio.

Financial liabilities

Non-derivative financial liabilities are initially recognized at fair value and are subsequently valued at amortized cost using the effective interest method. Liabilities in this category are classified as current liabilities if expected to be settled within the next 12 months, otherwise they are classified as non-current.

Trade payables are obligations to pay for goods or services that have been acquired or received from suppliers in the ordinary course of business. Loans are initially recognized at fair value, net of transaction costs incurred. Loans are subsequently carried at amortized cost; any difference between the funds received (net of transaction costs) and the settlement value is recognized in the consolidated statement of income over the term of the loan using the effective interest method.

Derecognition of financial liabilities

The Company derecognizes financial liabilities if, and only if, the obligations of the Company are fulfilled, cancelled or have expired. The difference between the carrying amount of the derecognized financial liability and the consideration paid and payable is recognized in profit or loss.

Additionally, when the Company carries out a refinancing transaction and the previous liability qualifies to be derecognized, the costs incurred in the refinancing are recognized immediately in profit or loss at the date of termination of the previous financial liability.



Offsetting financial assets and liabilities

Assets and liabilities are offset and the net amount is presented in the consolidated statement of financial position when the right to offset the recognized amounts is legally enforceable and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

g) *Derivative financial instruments and hedging activities*

All derivative financial instruments are identified and classified as fair value hedges or cash flow hedges, for trading or the hedging of market risks and are recognized in the consolidated statement of financial position as assets and/or liabilities at fair value and similarly measured subsequently at fair value. The fair value is determined based on recognized market prices and its fair value is determined using valuation techniques accepted in the financial sector.

The fair value of hedging derivatives is classified as a non-current asset or liability if the remaining maturity of the hedged item is more than 12 months and as a current asset or liability if the remaining maturity of the hedged item is less than 12 months.

Derivative financial instruments classified as hedges are contracted for risk hedging purposes and meet all hedging requirements; their designation at the beginning of the hedging operation is documented, describing the objective, primary position, risks to be hedged and the effectiveness of the hedging relationship, characteristics, accounting recognition and how the effectiveness is to be measured.

Cash flow hedges

The changes in the fair value of derivative instruments associated to cash flow hedges are recorded in stockholders' equity. The effective portion is temporarily recorded in comprehensive income, within stockholders' equity and is reclassified to profit or loss when the hedged position affects these. The ineffective portion is immediately recorded in income.

Net investment hedge in a foreign transaction

The Company applies the hedge accounting to currency risk arising from its investments in foreign transactions for variations in exchange rates arising between the functional currency of such transaction and the functional currency of the holding entity, regardless of whether the investment is maintained directly or through a sub-holding entity. Variation in exchange rates is recognized in the other items of comprehensive income as part of the translation effect, when the foreign transaction is consolidated.

To this end, the Company designates the debt denominated in a foreign currency as a hedging instrument; therefore, the exchange rate effects caused by the debt are recognized in other components of comprehensive income, on the translation effects line item, to the extent that the hedge is effective. When the hedge is not effective, exchange differences are recognized in profit or loss.

Suspension of hedge accounting

The Company suspends hedge accounting when the derivative financial instrument or the non-derivative financial instrument has expired, is cancelled or exercised, when the derivative or non-derivative financial instrument is not highly effective to offset the changes in the fair value or cash flows of the hedged item. The replacement or successive renewal of a hedging instrument for another one is not an expiration or resolution if such replacement or renewal is part of the Company's documented risk management objective, and it is consistent with this.

On suspending hedge accounting, in the case of fair value hedges, the adjustment to the carrying amount of a hedged amount for which the effective interest rate method is used is amortized to income over the period to maturity. In the case of cash flow hedges, the amounts accumulated in equity as a part of comprehensive income remain in equity until the time when the effects of the forecasted transaction affect income. In the event the forecasted transaction is not likely to occur, the income or loss accumulated in comprehensive income are immediately recognized in the consolidated statement of income. When the hedge of a forecasted transaction appears satisfactory and subsequently does not meet the effectiveness test, the cumulative effects in comprehensive income in stockholders' equity are transferred proportionally to the consolidated statement of income, to the extent the forecasted transaction impacts it.

The fair value of derivative financial instruments reflected in the consolidated financial statements of the Company is a mathematical approximation of their fair value. It is computed using proprietary models of independent third parties using assumptions based on past and present market conditions and future expectations at the closing date.



h) Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is determined using the average cost method. The cost of finished goods and work-in-progress includes cost of product design, raw materials, direct labor, other direct costs and production overheads (based on normal operating capacity).

It excludes borrowing costs. The net realizable value is the estimated selling price in the normal course of business, less the applicable variable selling expenses. Costs of inventories include any gain or loss transferred from other comprehensive income corresponding to raw material purchases that qualify as cash flow hedges.

i) Property, plant and equipment

Items of property, plant and equipment are recorded at cost less the accumulated depreciation and any accrued impairment losses. The costs include expenses directly attributable to the asset acquisition.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be reliably measured. The carrying amount of the replaced part is derecognized. Repairs and maintenance are recognized in the consolidated statement of income during the year they are incurred. Major improvements are depreciated over the remaining useful life of the related asset.

When the Company carries out major repairs or maintenance of its property, plant and equipment assets, the cost is recognized in the book value of the corresponding asset as a replacement, provided that the recognition criteria are met. The remaining portion of any major repair or maintenance is derecognized. The Company subsequently depreciates the recognized cost in the useful life assigned to it, based on its best estimate of useful life.

Depreciation is calculated using the straight-line method, considering separately each of the asset's components, except for land, which is not subject to depreciation. The estimated useful lives of the classes of assets are as follows:

Buildings and constructions	40 to 50 years
Machinery and equipment	10 to 40 years
Vehicles	15 years
Furniture and lab and IT equipment	2 to 13 years
Other	20 years

The spare parts to be used after one year and attributable to specific machinery are classified as property, plant and equipment in other fixed assets.

Borrowing costs related to financing of property, plant and equipment whose acquisition or construction requires a substantial period (nine months), are capitalized as part of the cost of acquiring such qualifying assets, up to the moment when they are suitable for their intended use or sale.

Assets classified as property, plant and equipment are subject to impairment tests when events or circumstances occur indicating that the carrying amount of the assets may not be recoverable. An impairment loss is recognized in the consolidated statement of income in other expenses, net, for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs to sell and value in use.

The residual value and useful lives of assets are reviewed at least at the end of each reporting period and, if expectations differ from previous estimates, the changes are accounted for as a change in accounting estimate.

Gains and losses on disposal of assets are determined by comparing the sale value with the carrying amount and are recognized in other expenses, net, in the consolidated statement of income.



j) Leases

The Company as lessee

The Company evaluates whether a contract is or contains a lease agreement at inception of a contract. A lease is defined as an agreement or part of an agreement that conveys the right to control the use of an identified asset for a period of time in exchange for a consideration. The Company recognizes an asset for right-of-use and the corresponding lease liability, for all lease agreements in which it acts as lessee, except in the following cases: short-term leases (defined as leases with a lease term of less than 12 months); leases of low-value assets (defined as leases of assets with an individual market value of less than US\$5,000 (five thousand dollars)); and, lease agreements whose payments are variable (without any contractually defined fixed payment). For these agreements, which exempt the recognition of an asset for right-of-use and a lease liability, the Company recognizes the rent payments as an operating expense in a straight-line method over the lease period.

The right-of-use asset comprises all lease payments discounted at present value; the direct costs to obtain a lease; the advance lease payments; and the obligations of dismantling or removal of assets. The Company depreciates the right-of-use asset over the shorter of the lease term or the useful life of the underlying asset; therefore, when the lessee will exercise a purchase option, the lessee shall depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Depreciation begins on the lease commencement date.

The lease liability is initially measured at the present value of the future minimum lease payments that have not been paid at that date, using a discount rate that reflects the cost of obtaining funds for an amount similar to the value of the lease payments, for the acquisition of the underlying asset, in the same currency and for a similar period to the corresponding contract (incremental borrowing rate). When lease payments contain non-lease components (services), the Company has chosen, for some class of assets, not to separate them and measure all payments as a single lease component; however, for the rest of the class of assets, the Company measures the lease liability only considering lease payments, while all of the services implicit in the payments, are recognized directly in the consolidated statement of income as operating expenses.

To determine the lease term, the Company considers the non-cancellable period, including the probability to exercise any right to extend and/or terminate the lease term.

Subsequently, the lease liability is measured increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and reducing the carrying amount to reflect the lease payments made.

When there is a modification in future lease payments resulting from changes in an index or a rate used to determine those payments, the Company remeasures the lease liability when the adjustment to the lease payments takes effect, without reassessing the discount rate. However, if the modifications are related to the lease term or exercising a purchase option, the Company reassesses the discount rate during the liability's remeasurement. Any increase or decrease in the value of the lease liability subsequent to this remeasurement is recognized as an adjustment to the right-of-use asset to the same extent.

Finally, the lease liability is derecognized when the Company fulfills all lease payments. When the Company determines that it is probable that it will exercise an early termination of the contract that leads to a cash disbursement, such disbursement is accounted as part of the liability's remeasurement mentioned in the previous paragraph; however, in cases in which the early termination does not involve a cash disbursement, the Company cancels the lease liability and the corresponding right-of-use asset, recognizing the difference immediately in the consolidated statement of income.

k) Intangible assets

Intangible assets are recognized in the consolidated statement of financial position when they meet the following conditions: they are identifiable, provide future economic benefits and the Company has control over such benefits.

Intangible assets are classified as follows:

i. Indefinite useful life

These intangible assets are not amortized and are subject to annual impairment assessment. As of December 31, 2025, 2024 and 2023, no factors have been identified limiting the life of these intangible assets.



ii. *Finite useful life*

These assets are recognized at cost less the accumulated amortization and impairment losses recognized. They are amortized on a straight-line basis over their estimated useful life, determined based on the expectation of generating future economic benefits, and are subject to impairment tests when triggering events of impairment are identified.

Development costs	15.5 years
Non-compete agreements	5 to 10 years
Customer relationships	6 to 7 years
Patents	10 years
Software and licenses	3 to 7 years
Intellectual property	20 to 25 years
Defined life brands	5 to 22 years

Development costs

Research costs are recognized in income as incurred. Expenditures for development activities are recognized as intangible assets when such costs can be reliably measured, the product or process is technically and commercially feasible, potential future economic benefits are obtained and the Company intends and also has sufficient resources to complete the development and to use or sell the asset. Their amortization is recognized in income by the straight-line method over the estimated useful life of the asset. Development expenditures that do not qualify for capitalization are recognized in income as incurred.

Licenses

Licenses acquired in a separate transaction are recorded at acquisition cost, while those acquired in a business combination are recognized at fair value at acquisition date.

Licenses that have a defined useful life are presented at cost less accumulated amortization. Amortization is recorded by the straight-line method over its estimated useful life.

The acquisition of software licenses is capitalized based on the costs incurred to acquire and use the specific software.

Software development

Costs associated with the maintenance of software are recorded as expenses as incurred.

Development costs directly related with the design and tests of unique and identifiable software products controlled by the Company are recorded as intangible assets when they fulfill the following criteria:

- Technically, it is possible to complete the intangible asset so that it may be available for its use or sale;
- The intangible asset is to be completed for use or sale;
- The ability to use or sell the intangible asset;
- The way in which the intangible asset is to generate probable future economic benefits;
- The availability of adequate technical, financial or other type of resources, to complete the development and use or sell the intangible asset; and
- The ability to reliably calculate the disbursement attributable to the intangible asset during its development.

The amount initially recognized for an intangible asset generated internally will be the sum of disbursements incurred from the moment the element fulfills the conditions for recording, as established above. When no intangible asset internally generated may be recognized, the disbursements for development are charged to income in the period they are incurred.

l) Goodwill

Goodwill represents the excess of the acquisition cost of a subsidiary over the Company's equity in the fair value of the identifiable net assets acquired, determined at the date of acquisition, and is not subject to amortization. Goodwill is shown under goodwill and intangible assets and is recognized at cost less accumulated impairment losses, which are not reversed. Gains or losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.



m) Impairment of non-financial assets

Assets that have an indefinite useful life, for example, goodwill, are not amortizable or depreciable and are subject to annual impairment tests. Assets that are subject to amortization and depreciation are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels at which separately identifiable cash flows exist (cash generating units). Non-financial long-term assets other than goodwill that have suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

When an impairment loss is reversed, the carrying amount of the asset or cash generating unit, is increased to the revised estimated value of its recoverable amount, in such a way that the adjusted carrying amount does not exceed the carrying amount that would have been determined if an impairment loss had not been recognized for that asset or cash generating unit in previous years. The reversal of an impairment loss is recognized immediately in the consolidated statement of income.

n) Income tax

The amount of income taxes in the consolidated statement of income represents the sum of the current and deferred income taxes.

The amount of income taxes included in the consolidated statement of income represents the current tax and the effects of deferred income tax assets determined in each subsidiary by the asset and liability method, applying the rate established by the legislation enacted or substantially enacted at the consolidated statement of financial position date, wherever the Company operates and generates taxable income. The applicable rates are applied to the total temporary differences resulting from comparing the accounting and tax bases of assets and liabilities, and that are expected to be applied when the deferred tax asset is realized or the deferred tax liability is expected to be settled, considering, when applicable, any tax-loss carryforwards, prior to the recovery analysis. The effect of the change in current tax rates is recognized in current income of the period in which the rate change is determined.

Management periodically evaluates positions taken in tax returns with respect to situations in which the applicable law is subject to interpretation. Provisions are recognized when appropriate, based on the amounts expected to be paid to the tax authorities.

Deferred tax assets are recognized only when it is probable that future taxable profits will exist against which the deductions for temporary differences can be taken.

The deferred income tax on temporary differences arising from investments in subsidiaries and associates is recognized, unless the period of reversal of temporary differences is controlled by the Company and it is probable that the temporary differences will not reverse in the near future.

Deferred tax assets and liabilities are offset when a legal right exists, and when the taxes are levied by the same tax authority.

o) Employee benefits

i. Pension plans

Defined contribution plans:

A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to their service in the current and past periods. The contributions are recognized as employee benefit expense on the date that is required the contribution.

Defined benefit plans:

A defined benefit plan is a plan, which specifies the amount of the pension an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.



The liability recognized in the consolidated statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligation at the consolidated statement of financial position date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using discount rates in conformity with IAS 19, *Employee Benefits*, that are denominated in the currency in which the benefits will be paid and have maturities that approximate the terms of the pension liability.

Actuarial gains and losses from adjustments and changes in actuarial assumptions are recognized directly in other items of the comprehensive income in the year they occur and will not be reclassified to the results of the period.

The Company determines the net finance expense (income) by applying the discount rate to the liabilities (assets) from net defined benefits.

Past-service costs are recognized immediately in the consolidated statement of income.

ii. *Post-employment medical benefits*

The Company provides medical benefits to retired employees after termination of employment. The right to access these benefits usually depends on the employee's having worked until retirement age and completing a minimum of years of service. The expected costs of these benefits are accrued over the period of employment using the same criteria as those described for defined benefit pension plans.

iii. *Termination benefits*

Termination benefits are payable when employment is terminated by the Company before the normal retirement date or when an employee accepts voluntary termination of employment in exchange for these benefits. The Company recognizes termination benefits in the first of the following dates: (a) when the Company can no longer withdraw the offer of these benefits, and (b) when the Company recognizes the costs from restructuring within the scope of the IAS 37 and it involves the payment of termination benefits. If there is an offer that promotes the termination of the employment relationship voluntarily by employees, termination benefits are valued based on the number of employees expected to accept the offer. The benefits that will be paid in the long term are discounted at their present value.

iv. *Short-term benefits*

The Company grants benefits to employees in the short term, which may include wages, salaries, annual compensation and bonuses payable within 12 months. The Company recognizes an undiscounted provision when it is contractually obligated or when past practice has created an obligation.

v. *Employee participation in profit and bonuses*

The Company recognizes a liability and an expense for bonuses and employee participation in profits when it has a legal or assumed obligation to pay these benefits and determines the amount to be recognized based on the profit for the year after certain adjustments.

p) Provisions

Provisions represent a present legal obligation or a constructive obligation as a result of past events where an outflow of resources to meet the obligation is likely and where the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the value of money over time and the risks specific to the obligation. The increase in the provision due to the passage of time is recognized as interest expense.

When there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.



A restructuring provision is recorded when the Company has developed a formal detailed plan for the restructure, and a valid expectation for the restructure has been created between the people affected, possibly for having started the plan implementation or for having announced its main characteristics to them.

q) *Share based payment*

The Company's compensation plans are based 100% on the market value of the shares of Alpek SAB, granted to certain senior executives of the Company and its subsidiaries. The conditions for granting such compensation to the eligible executives include compliance with certain financial metrics such as the level of profit achieved and remaining in the Company for up to 5 years, among other requirements. The Board of Directors of the Company has appointed a technical committee to manage the plan, and it reviews the estimated cash settlement of this compensation at the end of the year. The payment plan is subject to the discretion of Alpek's senior Management. Adjustments to this estimate are charged or credited to the consolidated statement of income.

The fair value of the amount payable to employees in respect of share-based payments which are settled in cash is recognized as an expense, with a corresponding increase in liabilities, over the period of service required. The liability is included within other liabilities and is adjusted at each reporting date and the settlement date. Any change in the fair value of the liability is recognized as compensation expense in the consolidated statement of income.

r) *Capital stock*

When treasury shares are repurchased, they are converted into treasury shares and the amount is charged to stockholders' equity at their purchase price. These amounts are expressed at their historical value.

Alpek SAB's common shares are classified as capital stock within stockholders' equity. Incremental costs directly attributable to the issuance of new shares are included in equity as a reduction from the consideration received, net of tax.

s) *Revenue recognition*

Revenues comprise the fair value of the consideration received or to receive for the sale of goods and services in the ordinary course of the transactions, and are presented in the consolidated statement of income, net of the amount of variable considerations, which comprise the estimated amount of returns from customers, rebates and similar discounts and payments made to customers with the objective that goods are accommodated in attractive and favorable spaces at their facilities.

To recognize revenues from contracts with customers, the comprehensive model for revenue recognition is used, which is based on a five-step approach consisting of the following: (1) identify the contract; (2) identify performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to each performance obligation in the contract; and (5) recognize revenue when the Company satisfies a performance obligation.

i. Revenue from the sale of goods and products

Contracts with customers are formalized by commercial agreements complemented by purchase orders, whose costs comprise the promises to produce, distribute and deliver goods based on the contractual terms and conditions set forth, which do not imply a significant judgment to be determined. When there are payments related to obtaining contracts, they are capitalized and amortized over the term of the contract.

Performance obligations held by the Company are not separable, and are not partially satisfied, since they are satisfied at a point in time, when the customer accepts the products. Moreover, the payment terms identified in most sources of revenue are short-term, with variable considerations including discounts given to customers, without financing components or guarantees. These discounts are recognized as a reduction in revenue; therefore, the allocation of the price is directly on the performance obligations of production, distribution and delivery, including the effects of variable consideration.

The Company recognizes revenue at a point in time, when control of sold goods has been transferred to the customer, which is given upon delivery of the goods promised to the customer according to the negotiated contractual terms. The Company recognizes an account receivable when the performance obligations have been met, recognizing the corresponding revenue; moreover, the considerations received before completing the performance obligations of production and distribution are recognized as customer advances.



Dividend income from investments is recognized once the rights of stockholders to receive this payment have been established (when it is probable that the economic benefits will flow to the Company and the revenue can be reliably determined).

t) Earnings per share

Earnings per share are calculated by dividing the profit attributable to the stockholders of the controlling interest by the weighted average number of common shares outstanding during the year. As of December 31, 2025, 2024 and 2023, there are no dilutive effects from financial instruments potentially convertible into shares.

u) Changes in accounting policies and disclosures

i. New standards and changes adopted

In the current year, the Company has applied a number of amendments to IFRS Accounting Standards issued by the IASB that are mandatorily effective for an accounting period that begins on or after January 1, 2025. The conclusions related to their adoption are described as follows:

Amendments to IAS 21 – Lack of Exchangeability

The amendments specify when a currency is exchangeable for another currency and when it is not. A currency is exchangeable when an entity can convert that currency into another currency through markets or exchange mechanisms that create enforceable rights and obligations without undue delay at the measurement date and for a specific purpose. A currency is not exchangeable for another currency if an entity can obtain only an insignificant amount of the other currency at the measurement date for the intended purpose.

The amendments specify how an entity determines the exchange rate to apply when a currency is not exchangeable.

The amendments require additional disclosures that allow users of the financial statements to assess how the lack of exchangeability of a currency affects, or is expected to affect, the entity's financial performance, financial position, and cash flows.

The Company did not have any effects on its consolidated financial statements arising from these amendments to IAS 21.

ii. New, revised and issued IFRS, but not yet effective

As of the date of these consolidated financial statements, the Company had not applied the following amendments to the IFRS that have been issued, but are not yet effective, and the adoption of these amendments, except for IFRS 18, is not expected to have a material impact on the consolidated financial statements in future periods, considering that they are not of significant applicability. The amendments to the IFRS are included below:

- Amendments to IFRS 7 and IFRS 9 - Classification and Measurement of Financial Instruments ⁽¹⁾
- Amendments to IFRS 7 and IFRS 9 – Nature-dependent Electricity Contracts ⁽¹⁾
- Annual Improvements to IFRS Accounting Standards – Volume 11 – Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures and its Implementation Guidance, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, and IAS 7 Statement of Cash Flows. ⁽¹⁾
- IFRS 19 – Subsidiaries without Public Accountability: Disclosures ⁽²⁾
- IAS 21 – Translation to a Hyperinflationary Presentation Currency ⁽²⁾

⁽¹⁾ Effective for annual periods beginning on or after January 1, 2026.

⁽²⁾ Effective for annual periods beginning on or after January 1, 2027.

IFRS 18 – Presentation and Disclosure in Financial Statements

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33.



IFRS 18 introduces new requirements to:

- Present specified categories and defined subtotals in the statement of profit or loss
- Provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- Improve aggregation and disaggregation

The IFRS 18 is effective for annual periods beginning on or after 1 January 2027. Early adoption is permitted. The amendments to IAS 7, IAS 33, IAS 8 and IFRS 7 are effective when an entity first adopts IFRS 18. An entity is required to apply IFRS 18 retrospectively by applying the temporary specific terms.

The Company is conducting an analysis to determine the applicable amendments to the presentation of the consolidated income statement and the consolidated statement of cash flows, and to identify the MPMs to be disclosed within its consolidated financial statements.

4. Financial instruments and risk management

The Company's activities expose it to various financial risks: market risk (including exchange rate risk, price risk and interest rate variation risk), credit risk and liquidity risk.

The Company has a general risk management program focused on the unpredictability of financial markets and seeks to minimize the potential adverse effects on its financial performance.

The objective of the risk management program is to protect the financial health of its business, taking into account the volatility associated with foreign exchange and interest rates. Sometimes, the Company uses derivative financial instruments to hedge certain exposures to risks. In addition, due to the nature of the industries in which it participates, the Company has performed hedges of input prices with derivative financial instruments.

Alpek has a Risk Management Committee ("RMC"), comprised of the Board's Chairman, the Chief Executive Officer, Chief Financial Officer and a Risk Management Officer acting as technical secretary. The RMC reviews derivative transactions proposed by the Company, in which a potential loss analysis surpasses US\$1 million. This Committee supports both the CEO and the President of Board of the Company. All new derivative transactions which the Company proposes to enter into, as well as the renewal or cancellation of derivative arrangements, must be approved by Alpek's CEO, according to the following schedule of authorizations:

	Maximum possible loss US\$1	
	Individual transaction	Annual cumulative transactions
Chief Executive Officer of the Company	1	5
Risk Management Committee of the Company	30	100
Finance Committee	100	300
Board of Directors	>100	>300

The proposed transactions must meet certain criteria, including that the hedges are lower than established risk parameters, that they are the result of a detailed analysis and are properly documented. In addition, sensitivity analysis and other risk analyses should be performed and documented prior to the operation.

Alpek's risk management policy indicates that hedging positions should always be less than the projected exposure to allow an acceptable margin of uncertainty. Exposed transactions are expressly prohibited. The Company's policy indicates that the further the exposure is, the lower the coverage, based on the following table:

	Current year
<i>Maximum coverage (as a percentage of the projected exposure)</i>	
Commodities	100
Energy costs	75
Exchange rate for operating transactions	80
Exchange rate for financial transactions	100
Interest rates	100



Capital management

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns to stockholders and benefits to other stakeholders, as well as maintaining an optimal capital structure to reduce the cost of capital.

To maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to stockholders, return equity to stockholders, issue new shares or sell assets to reduce debt.

Alpek reviews capital based on a leverage ratio. This percentage is calculated by dividing total liabilities by total stockholders' equity.

The financial ratio of total liabilities/total equity was 2.57, 2.48 and 2.09 as of December 31, 2025, 2024 and 2023, respectively, resulting in a leverage ratio that meets the Company's management and risk policies.

Financial instruments by category

The following are the Company's financial instruments by category.

As of December 31, 2025, 2024 and 2023, financial assets and liabilities consist of the following:

	As of December 31,		
	2025	2024	2023
Cash and cash equivalents	\$ 8,043	\$ 6,216	\$ 7,391
Restricted cash	7	386	322
<i>Financial assets measured at amortized cost:</i>			
Trade and other accounts receivable	10,742	14,481	13,236
Other non-current assets	2,051	3,763	3,140
<i>Financial assets measured at fair value through profit or loss</i>			
Derivate financial instruments ⁽¹⁾	158	14	95
	<u>\$ 21,001</u>	<u>\$ 24,860</u>	<u>\$ 24,184</u>
<i>Financial liabilities measured at amortized cost:</i>			
Debt	\$ 37,680	\$ 40,570	\$ 33,337
Trade and other accounts payable	24,242	29,529	25,995
Lease liability	3,362	4,104	3,456
<i>Financial liabilities measured at fair value:</i>			
Derivative financial instruments ⁽¹⁾	308	839	265
	<u>\$ 65,592</u>	<u>\$ 75,042</u>	<u>\$ 63,053</u>

⁽¹⁾ The Company designated the derivative financial instruments that comprise this balance as accounting hedges, in accordance with what is described later in this note.

Fair value of financial assets and liabilities valued at amortized cost

The amount of cash and cash equivalents, restricted cash, trade and other accounts receivable, other current assets, trade and other accounts payable, current debt and other current liabilities approximate their fair value, due to their short maturity. The net carrying amount of these accounts represents the expected cash flows to be received as of December 31, 2025, 2024 and 2023.

The carrying amount and estimated fair value of assets and liabilities valued at amortized cost is presented below:

	As of December 31,		As of December 31,		As of December 31,	
	2025		2024		2023	
	Carrying	Fair	Carrying	Fair	Carrying	Fair
	amount	value	amount	value	amount	value
<i>Financial assets:</i>						
Non-current accounts receivable	\$ 1,696	\$ 1,696	\$ 3,148	\$ 3,148	\$ 2,456	\$ 2,453
<i>Financial liabilities:</i>						
Non-current debt	35,580	33,241	38,956	36,277	32,702	30,484



The carrying amount of the debt, for the purpose of computing its fair value, is presented gross of interest payable and issuance costs.

The estimated fair values as of December 31, 2025, 2024, and 2023, of the Senior Notes are based on quoted prices (unadjusted) in active markets for identical assets or liabilities; therefore, they have been classified within Level 1 of the fair value measurement hierarchy. On the other hand, the estimated fair value of bank loans as of December 31, 2025, 2024, and 2023, was determined based on discounted cash flows, using the Interbank Equilibrium Interest Rate (“TIE”) for instruments in pesos, the Secured Overnight Financing Rate (“SOFR”) for term instruments in U.S. dollars, and the Euro Interbank Offered Rate (“Euribor”) for instruments in euros. The fair value measurement of bank loans is considered within Level 2 of the fair value hierarchy. Measurement at fair value for non-current accounts receivable is deemed within Level 3 of the fair value hierarchy.

Market risks

(i) Exchange rate risk

The Company is exposed to foreign exchange risk, primarily derived from the transactions and balances that the subsidiaries conduct and have in foreign currency, respectively. A foreign currency is that which is different from the functional currency of an entity. In addition, the Company is exposed to changes in the value of foreign investments (subsidiary entities that have a functional currency different from that of the ultimate holding company), which arise from changes in the exchange rates between the functional currency of the foreign operation and the functional currency of the holding company (pesos); therefore, the Company applies hedge accounting to mitigate this risk, designating financial liabilities as hedging instruments, regardless of whether the foreign investment is directly or indirectly maintained through a subholding.

The behavior of the exchange rates fluctuations between the Mexican peso, U.S. dollar and the euro represents an important factor for the Company due to the effect that such currencies have on its consolidated results, and because, in addition, Alpek has no interference in its determination. Historically, in certain times when the Mexican peso has appreciated against other currencies, such as the U.S. dollar, the Company’s profit margins have been reduced. On the other hand, when the Mexican peso has lost value, Alpek’s profit margins have been increased. However, there is no assurance that this correlation will be repeated in case the exchange rate between the Mexican peso and any other currency fluctuates again, because these effects also depend on the balances in foreign currency that the entities of the Company hold.

Accordingly, the Company sometimes enters into derivative financial instruments in order to keep under control the integrated total cost of its financing and the volatility associated with exchange rates. Additionally, as most of the Company’s revenues are in U.S. dollars, there is a natural hedge against its obligations in U.S. dollars.

The Company has the following assets and liabilities in foreign currency in relation to the functional currency of the subsidiary entities, translated to millions of Mexican pesos at the closing exchange rate as of December 31, 2025:

	MXN	USD	EUR
Financial assets	\$22,154	\$ 3,445	\$ 381
Financial liabilities	<u>(21,747)</u>	<u>(12,805)</u>	<u>(56)</u>
Foreign exchange financial position	<u>\$ 407</u>	<u>\$(9,360)</u>	<u>\$ 325</u>

The exchange rates used to translate the foreign currency financial positions to Mexican pesos are those described in Note 3c.

Based on the financial positions in foreign currency maintained by the Company, a hypothetical variation of 10% in the MXN/USD and MXN/EUR exchange rate and keeping all other variables constant, would result in an effect of \$863 on the consolidated statement of income and consolidated stockholders' equity.

Financial instruments to hedge net investments in foreign transactions

The Company designated certain non-current debt instruments as hedging instruments to net investments in foreign transactions, in order to mitigate the variations in exchange rates arising between the functional currency for such transactions and the functional currency of the holding or sub-holding company that maintains these investments.



The Company formally designated and documented each hedging relationship establishing objectives, strategy to hedge the risk, the identification of the hedging instrument, the hedged item, the nature of the risk to be hedged, and the methodology to assess the effectiveness. Given that the exchange rate hedging relationship is clear, the method that the Company used to assess the effectiveness consisted of a qualitative effectiveness test by comparing the critical terms between the hedging instruments and the hedged items.

The hedge will be effective as long as the notional debt designated as a hedging instrument is equal to or less than the value of the net assets of the covered foreign operation. On the other hand, when the value of the net assets of the foreign operation is less than the notional value of the designated debt, the Company rebalances the hedging relationship and recognizes the ineffectiveness in the income statement.

As of December 31, 2025, 2024 and 2023, Alpek maintains the following hedging relationships:

As of December 31, 2025					
Holding	Functional Currency	Hedging Instrument	Notional Value	Hedged Item	Net assets of the hedged item
Alpek SAB	MXN	Bank loan	US\$ 200	Indelpro	US\$ 217
		Bank loan	110	Temex	(50)
		Senior Notes 144A fixed rate	22	Alpek Polyester Ms	239
		Senior Notes 144A fixed rate	100	Alpek Polyester México	52
				Akra Polyester	81
			<u>US\$ 432</u>		<u>US\$ 539</u>

As of December 31, 2024					
Holding	Functional Currency	Hedging Instrument	Notional Value	Hedged Item	Net assets of the hedged item
Alpek SAB	MXN	Bank loan	US\$ 200	Indelpro	US\$ 214
		Bank loan	96	Temex	82
		Senior Notes 144A fixed rate	22	Alpek Polyester Ms	239
		Senior Notes 144A fixed rate	100	Alpek Polyester México	12
				Akra Polyester	107
			<u>US\$ 418</u>		<u>US\$ 654</u>

As of December 31, 2023					
Holding	Functional Currency	Hedging Instrument	Notional Value	Hedged Item	Net assets of the hedged item
Alpek SAB	MXN	Bank loan	US\$ 200	Indelpro	US\$ 254
		Bank loan	100	Temex	22
		Senior Notes 144A fixed rate	22	Alpek Polyester Ms	251
		Senior Notes 144A fixed rate	100	Alpek Polyester México	95
				Akra Polyester	120
			<u>US\$ 422</u>		<u>US\$ 742</u>

For the years ended December 31, 2025, 2024 and 2023, the Company's average hedging ratio amounted to 74%, 57.9%, and 56.3%, respectively. Therefore, the exchange rate fluctuation generated by the hedging instruments for the years ended December 31, 2025, 2024 and 2023 amounted to a net (loss) gain of \$(234), \$(1,325), and \$873, respectively, which was recognized in other comprehensive income, offsetting the translation effect generated by each foreign investment. The hedging effectiveness results confirm that the hedging relationships are highly effective due to the economic relationship between the hedging instrument and the hedged items.

Derivative financial instruments to hedge exchange rate risks

As of December 31, 2023, the Company holds forwards (EUR/USD) and during 2023 contracted forwards (GBP/USD), to hedge different needs. For 2023, these forwards are mirrored to an entity with the functional currency of pound sterling (GBP), because part of its revenue is received in euros and part of its purchases are made in US dollars. Therefore, a highly probable forecasted transaction related to budgeted sales and purchases in each corresponding currency has been documented as a hedged item. As of December 31, 2024, these hedges expired naturally.



For accounting purposes, the Company has designated such forwards as cash flow hedging relationships to hedge the aforementioned items, and has formally documented these relationships, setting the objectives, management's strategy to hedge the risk, identification of hedging instruments, hedged items, the nature of the risk to be hedged and the methodology of the effectiveness assessment.

The conditions of the derivative financial instruments and the considerations of their valuation as hedging instruments are mentioned below:

Characteristics	Forwards EUR/USD		
	2025	2023	2023
Currency	EUR	GBP	EUR
Notional amount	2	10	29
Strike (average)	1.1583	1.2639	1.0877
Maturity	Monthly through July 2026	Monthly through December 30, 2024	Monthly through December 30, 2024
Carrying amount	\$(1)	\$(0)	\$(8)
Change in the fair value to measure ineffectiveness	\$1	\$(2)	\$(10)
Reclassification from OCI to profit or loss	-	-	-
Recognized in OCI, net of reclassifications	\$(1)	\$(0)	\$(8)
Change in the fair value of the hedged item to measure ineffectiveness	\$(1)	\$2	\$10
Change in the fair value of the forward	\$(1)	\$(0)	\$(5.7)

As of December 31, 2023, the Company held EUR/USD forwards that were contracted with the objective of reducing transaction costs; therefore, for accounting purposes and for hedge evaluation, derivatives are divided into synthetic derivatives to hedge each hedged item individually (revenue in euros and purchases in dollars). During 2023, the Company also contracted EUR/GBP forwards directly for this same hedging relationship. The Company determined that they are highly effective according to the characteristics and modeling of both hedged items, resulting in 99% effectiveness for 2023. Furthermore, both the credit profile of the Company and the counterparty are adequate and are not expected to change in the medium term, so the credit risk component is not considered to dominate the hedging relationship.

In accordance with the reference amounts described and the way in which the flows of the derivatives are exchanged, the average coverage ratio for the EUR/USD and GBP/USD exchange rate for 2023 is 68%.

The source of ineffectiveness may be caused by the difference in the settlement date of the derivative and the hedged item, and that the expected amount becomes a lower amount than the hedging instruments, as well as the credit risk. For the years ended December 31, 2023, no ineffectiveness was recognized in profit or loss.

(ii) Price risk

In carrying out its activities, the Company depends on the supply of raw materials provided by its suppliers, both in México and abroad, among which are intermediate petrochemicals, principally.

In recent years, the price of certain inputs has shown volatility, especially those related to oil and natural gas.

In order to fix the selling prices of certain of its products, the Company has entered into agreements with certain customers. At the same time, it has entered into transactions involving derivatives on natural gas that seek to reduce price volatility of the prices of this input.

Additionally, the Company has entered into derivative financial instruments transactions to hedge purchases of certain raw materials, since these inputs have a direct or indirect relationship with the prices of its products.

The derivative financial operations have been privately contracted with various financial institutions, whose financial strength was highly rated at the time by rating agencies. The documentation used to formalize the contract operations is that based generally on the "Master Agreement", generated by the "International Swaps & Derivatives Association" ("ISDA"), which is accompanied by various accessory documents known in generic terms as "Schedule", "Credit Support Appendix" and "Confirmation".



Regarding natural gas, Pemex is the only supplier in México. The selling price of natural gas is determined based by the price of that product on the “spot” market in South Texas, USA, which has experienced volatility. For its part, the Mexican Electric Commission is a decentralized public company in charge of producing and distributing electricity in México. Electricity rates have also been influenced by the volatility of natural gas, since most power plants are gas-based.

The Company entered into various derivative agreements with various counterparties to protect it against increases in prices of natural gas and other raw materials. In the case of natural gas derivatives, hedging strategies for products were designed to mitigate the impact of potential increases in prices. The purpose is to protect the price from volatility by taking positions that provide stable cash flow expectations, and thus avoid price uncertainty. The reference market price for natural gas is the Henry Hub New York Mercantile Exchange (NYMEX).

The average price in US dollars per MMBTU for 2025, 2024 and 2023 was \$2.4, \$2.2, and \$2.5, respectively.

As of December 31, 2025, 2024 and 2023, the Company had hedges of natural gas prices for a portion expected of consumption needs in México and the United States.

Derivative contracts to hedge adverse changes in commodity prices

The Company uses natural gas to operate, as well as some of its main raw materials are paraxylene, ethylene and monoethylene glycol (MEG). Therefore, an increase in the prices of natural gas, paraxylene, ethylene, monoethylene glycol (MEG), or propylene, would have negative effects on the cash flow of the operation. The objective of the Company's designated hedge is to mitigate against exposure to price increases of the aforementioned generic goods for future purchases, by contracting swaps where a variable price is received and a fixed price is paid. In the case of PET, the Company uses these derivatives to hedge sales related to this asset. The Company has implemented strategies called roll-over, through which it analyzes monthly if more derivatives are contracted to expand the time or amount of coverage; currently, coverage contracted until December 2026 is maintained. Commodity derivatives are mirrored to Alpek Polyester USA, Alpek Polyester Mexico, Alpek Polyester Brazil and Alpek Polyester UK, since the risk is in these entities and the derivative instruments are contracted by Alpek Polyester; this process is carried out through the formalization of internal derivatives in order to apply hedge accounting.

These derivative financial instruments have been classified as cash flow hedges for accounting purposes. In this sense, management has documented, as a hedged item, a highly probable transaction in relation to the budget for purchases of these commodities. The conditions of the derivative financial instruments and the considerations of their valuation as hedging instruments are mentioned below:

Characteristics	As of December 31, 2025			
	Natural Gas Swaps	Paraxylene Swaps	MEG Swaps	Swaps Propylene
Total notional	18,904,279	187,380	115,970	76,400,000
Units	MMBtu	MT	MT	LB
Price received	Market	Market	Market	Market
Price paid (average)	\$2.4/MMBtu	\$875/MT	\$530/MT	\$0.26/LB
	December	January	January	February
Maturity (monthly)	2027	2027	2027	2026
Net position of the swap ⁽¹⁾	(187)	139	(104)	1
Ineffectiveness recognized in the statement of income	-	-	-	-
Change in the fair value to measure ineffectiveness	(187)	139	(104)	1
Reclassification from OCI to profit or loss	-	33	13	-
Balance recognized in OCI, net of reclassifications	(187)	172	(91)	0
Change in the fair value to measure ineffectiveness of hedge item	187	(139)	104	(1)
Effectiveness test results	99.87%	99.81%	99.81%	99.92%



As of December 31, 2024

Characteristics	Paraxylene		
	Natural Gas Swaps	Swaps	MEG Swaps
Total notional	29,262,179	308,220	63,157
Units	MMBtu	MT	MT
Price received	Market	Market	Market
Price paid (average)	\$3.9/MMBtu	\$1,019/MT	\$520/MT
Maturity (monthly)	December 2026	January 2026	January 2026
Net position of the swap ⁽¹⁾	(204)	(634)	14
Ineffectiveness recognized in the statement of income	-	-	-
Change in the fair value to measure ineffectiveness	(180)	(655)	5
Reclassification from OCI to profit or loss	-	(78)	6
Balance recognized in OCI, net of reclassifications	(204)	(556)	8
Change in the fair value to measure ineffectiveness of hedge item	181	656	(6)
Effectiveness test results	99.74%	99.79%	99.80%

As of December 31, 2023

Characteristics	Natural Gas Swaps	Paraxylene Swaps	MEG Swaps	Ethylene swaps	Propylene swaps
	Total notional	24,042,090	277,280	157,474	3,304,623
Units	MMBtu	MT	MT	LB	LB
Price received	Market	Market	Market	Market	Market
Price paid (average)	\$3.9/MMBtu	\$1,019/MT	\$520/MT	\$.19/LB	\$.43/LB
Maturity (monthly)	January 2025	January 2025	January 2025	January 2024	August 2024
Net position of the swap ⁽¹⁾	\$(200)	\$28	\$8	\$1	\$2
Ineffectiveness recognized in the statement of income	-	-	-	-	-
Change in the fair value to measure ineffectiveness	(189)	36	26	-	-
Reclassification from OCI to profit or loss	-	4	(16)	1	-
Balance recognized in OCI, net of reclassifications	(200)	24	24	-	2
Change in the fair value to measure ineffectiveness of hedge item	190	(36)	(26)	-	-
Effectiveness test results	99.92%	99.89%	99.89%	99.92%	99.93%

⁽¹⁾Due to the high volume of operations, the net position of derivative financial instruments is presented; however, since these instruments do not meet the criteria for the offsetting of financial instruments, they are presented in their gross amounts in the consolidated statement of financial position.

The change in the fair value of the derivative financial instruments recognized in OCI for the year ended December 31, 2025, 2024 and 2023 is \$646, \$(596), and \$1,056, respectively.

The fair value of the derivative financial instruments according to their classification in the consolidated statement of financial position is as follows:

As of December 31, 2025	Asset	Liability	Total
Natural Gas	\$ -	\$ (187)	\$ (187)
Paraxylene	151	(12)	139
Propylene	7	(4)	1
MEG/Ethylene	-	(104)	(104)
Forward	-	(1)	(1)
Total	<u>\$158</u>	<u>\$ (308)</u>	<u>\$ (150)</u>
As of December 31, 2024	Asset	Liability	Total
Natural Gas	\$ -	\$ (204)	\$ (204)
Paraxylene	-	(634)	(634)
MEG/Ethylene	15	(1)	14
Total	<u>\$ 15</u>	<u>\$ (839)</u>	<u>\$ (824)</u>



As of December 31, 2023	Asset	Liability	Total
Natural Gas	\$ -	\$ (200)	\$ (200)
Paraxylene	54	(26)	28
Propylene	2	-	2
MEG/Ethylene	36	(27)	9
Forward	<u>3</u>	<u>(12)</u>	<u>(9)</u>
Total	<u>\$ 95</u>	<u>\$ (265)</u>	<u>\$ (170)</u>

With the reference amounts of these derivative financial instruments, the Company offsets the fluctuation of the prices of these commodities that are used as raw material in the production processes of the entities.

For commodity hedging relationships, management is designating as a hedged item a specific risk, which is defined by the underlying assets that are clearly determined that the risk component is separable, it can be reliably measured and is also highly correlated.

On the other hand, in the measurement of the effectiveness of these hedges, the Company determined that they are highly effective because the changes in the fair value and cash flows of each hedged item are compensated within the range of effectiveness established by management. Due to the results shown on the effectiveness tests, it is confirmed that there is an economic relationship between the hedging instruments and the hedged item. The method used by the Company is to offset cash flows using a hypothetical derivative, which consists of comparing the changes in the fair value of the hedging instrument with the changes in the fair value of the hypothetical derivative that would result in a perfect hedge.

As of December 31, 2025, according to the reference amounts described and the way in which the flows of the derivatives are exchanged, the average coverage ratio for the natural gas, paraxylene, ethylene and ethane, PTA and PET for 2025, 2024 and 2023 are shown below and, if necessary, a rebalancing will be done to maintain this relationship for the strategy.

Average coverage ratio	2025	2024	2023
Natural gas	13%	20%	17%
Paraxylene	35%	61%	46%
Ethylene/MEG	39%	18%	32%
Propylene	30%	-	25%

The source of ineffectiveness can be caused mainly by the difference in the settlement date of the hedging instruments and the hedged items, and that the budget becomes less than the hedging instruments. For the years ended December 31, 2025, 2024 and 2023, there was no ineffectiveness recognized in profit or loss.

(iii) Interest rate risk

The Company is exposed to interest rate risk mainly for long-term loans bearing interest at variable rates. Fixed-interest loans expose the Company to interest rate risk at fair value, which reflects that Alpek might be paying interest at rates significantly different from those of an observable market.

As of December 31, 2025, 56% of the financing is denominated at a fixed rate, and 44% at a variable rate.

As of December 31, 2025, if interest rates on variable rate loans are increased or decreased by 100 basis points in relation to the rate in effect, the income and stockholders' equity of the Company would change by \$278.

Credit risk

Credit risk represents the potential loss due to non-compliance of counterparts in their payment obligations. Credit risk is generated from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions as well as credit exposure to customers, including receivables and committed transactions.

The Company determines, from a business standpoint and credit risk profile, the significant customers with whom it maintains an account receivable, distinguishing those that require an individual credit



risk assessment. For the rest of the customers, the company carries out its classification according to the type of market in which they operate (domestic or foreign), according with the business and internal risk administration. Each subsidiary is responsible for managing and analyzing credit risk for each of its new customers before setting the terms and conditions of payment. If wholesale customers are rated independent, these are the ratings used. If there is no independent rating, the Company's risk control group evaluates the creditworthiness of the customer, taking into account their financial position, past experience and other factors. The maximum exposure to credit risk is given by the balances of these items as presented in the consolidated state of financial position.

Individual risk limits are determined based on internal and external ratings in accordance with limits set by the Board of Directors. The use of credit risk is monitored regularly. Sales to retail customers are in cash or by credit card. During the years ended December 31, 2025, 2024 and 2023, credit limits were not exceeded.

In addition, the Company performs a qualitative evaluation of economic projections, with the purpose of determining the possible impact on probabilities of default and the rate of recovery that it assigns to its clients.

During the year ended December 31, 2025, there have been no changes in the techniques of estimation or assumption.

Liquidity risk

Projected cash flows are determined at each operating entity of the Company and subsequently the finance department consolidates this information. The finance department of the Company continuously monitors the cash flow projections and liquidity requirements of the Company ensuring that sufficient cash and highly liquid investments are maintained to meet operating needs, and it's that some flexibility is maintained through open and committed credit lines. The Company regularly monitors and makes decisions ensuring that the limits or covenants set forth in debt contracts are not violated. The projections consider the financing plans of the Company, compliance with covenants, compliance with minimum liquidity ratios and internal legal or regulatory requirements.

The Company's treasury department invests those funds in time deposits and marketable securities whose maturities or liquidity allow flexibility to meet the cash needs of the Company.

The following table analyzes the derivative and non-derivative financial liabilities of the Company, grouped according to their maturity, from the date of the consolidated statement of financial position to the contractual maturity date. Derivative financial liabilities are included in the analysis if their contractual maturities are required to understand the timing of the Company's cash flows. The amounts disclosed in the table are contractual undiscounted cash flows.

	Less than a year	From 1 to 5 years	More than 5 years
As of December 31, 2025			
Trade and other accounts payable	\$ 24,242	\$ -	\$ -
Current and non-current debt (excluding debt issuance costs and including non-accrued interest payable)	3,364	27,100	13,502
Derivative financial instruments	304	4	-
As of December 31, 2024			
Trade and other accounts payable	\$ 29,529	\$ -	\$ -
Current and non-current debt (excluding debt issuance costs and including non-accrued interest payable)	3,029	31,417	12,863
Derivative financial instruments	802	37	-
As of December 31, 2023			
Trade and other accounts payable	\$ 25,996	\$ -	\$ -
Current and non-current debt (excluding debt issuance costs and including non-accrued interest payable)	1,981	18,770	19,837
Derivative financial instruments	253	12	-



Supplier finance arrangements

In order to ensure easy access to credit for its suppliers and facilitate early settlement, the Company has entered into supplier finance arrangements that permit the suppliers to obtain advance payment from the banks, financing that they can access immediately after the issuance of their invoices. This program generates a transactional discount cost, which is stipulated according to the currency and the term of the invoice to be discounted, which are based on a variable reference rate with a margin. The Company repays the banks the full invoice amount on the scheduled payment date as required by the invoice. As the arrangements do not permit the Company to extend finance from the banks by paying them later than the Company would have paid its suppliers, the Company considers amounts payable to the banks should be presented as part of "Trade and other accounts payable". As of December 31, 2025, 25% of the "Trade accounts payable" line item, as detailed in Note 15, were amounts owed under these arrangements.

Below is a detailed account of supplier financing agreements and their presentation within the consolidated statement of financial position:

	December 31	
	2025	2024
Presented as part of Trade and other accounts payable, including:	<u>\$ 5,619</u>	<u>\$ 8,442</u>
Trade accounts payable for which suppliers have already received payment from the financial institution	<u>\$ 5,619</u>	<u>\$ 8,386</u>

Below is a breakdown of the payment date ranges for supplier financing agreements as of December 31, 2025:

	Days
For liabilities presented as part of Trade and other accounts payable:	
Liabilities that are part of supplier finance arrangements	60-180
Comparable trade accounts payable that are not part of supplier finance arrangements	30-90

The changes in liabilities that are subject to supplier financing agreements are attributable primarily to additions resulting from purchases of goods and services, and subsequent cash settlements. There were no material non-monetary changes in these liabilities.

The Company does not face a significant liquidity risk as a result of its supplier financing arrangements given the limited amount of liabilities subject to supplier financing arrangements and the Company's access to other sources of financing on similar terms.

Fair value hierarchy

The following is an analysis of financial instruments measured in accordance with the fair value hierarchy. The 3 different levels used are presented below:

- Level 1: Quoted prices for identical instruments in active markets.
- Level 2: Other valuations including quoted prices for similar instruments in active markets that are directly or indirectly observable.
- Level 3: Valuations made through techniques where one or more of their significant data inputs are unobservable.

The derivative financial instruments of the Company that are measured at fair value as of December 31, 2025, 2024 and 2023, are located within Level 2 of the fair value hierarchy.

There were no transfers between levels of the fair value hierarchy during the period.

The specific valuation techniques used to value financial instruments include:

- Market quotations or trader quotations for similar instruments.
- The fair value of interest rate swaps is calculated as the present value of estimated future cash flows based on observable yield curves.
- The fair value of forward exchange agreements is determined using exchange rates at the closing balance date, with the resulting value discounted at present value.
- Other techniques such as the analysis of discounted cash flows, which are used to determine fair value of the remaining financial instruments.



5. Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

5.1 Critical accounting estimates and assumptions.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will be, by definition, seldom equal to the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

a) *Estimated impairment of goodwill and intangible assets with indefinite useful lives*

The Company performs annual tests to determine whether goodwill and intangible assets with indefinite useful lives have suffered any impairment (see Note 12). For impairment testing, goodwill and intangible assets with indefinite lives are allocated to those groups of cash-generating units (“CGUs”) from which the Company has considered that economic and operational synergies of business combinations are generated. The recoverable amounts of the CGUs have been determined based on the calculations of their value in use, which require the use of estimates. The most significant of these estimates are as follows:

- Estimates of future gross and operating margins, according with the historical performance and industry expectations for each CGU group.
- Discount rate based on the weighted average cost of capital (“WACC”) of each CGU or group of CGUs.
- Long-term growth rates.

b) *Recoverability of deferred tax assets*

Alpek has tax loss carryforwards, which can be used in the following years until maturity expires. Based on the projections of taxable income that Alpek will generate in the subsequent years through a structured and robust business plan, management has determined that current tax losses will be used before they expire and, therefore, it was considered probable that the deferred tax assets for such losses will be recovered.

c) *Long-lived assets*

The Company estimates the useful lives of long-lived assets in order to determine the depreciation and amortization expenses to be recorded during the reporting period. The useful life of an asset is calculated when the asset is acquired and is based on past experience with similar assets, considering anticipated technological changes or any other type of changes; or in the case of the right-of-use assets, based on the term of the lease agreement. Were technological changes to occur faster than estimated, or differently than anticipated, the useful lives assigned to these assets could have to be reduced. This would lead to the recognition of a greater depreciation and amortization expense in future periods. Alternatively, these types of technological changes could result in the recognition of a charge for impairment to reflect the reduction in the expected future economic benefits associated with the assets.

The Company reviews depreciable and amortizable assets on an annual basis for signs of impairment, or when certain events or circumstances indicate that the book value may not be recovered during the remaining useful life of the assets. For intangible assets with an indefinite useful life, the Company performs impairment tests annually and at any time that there is an indication that the asset may be impaired.

To test for impairment, the Company uses projected cash flows, which consider the estimates of future transactions, including estimates of revenues, costs, operating expenses, capital expenses and debt service. In accordance with IFRS, discounted future cash flows associated with an asset or CGU are compared to the book value of the asset or CGU being tested to determine if impairment or a reversal of impairment exist.

d) *Estimation of default probabilities and recovery rate to apply the model of expected losses in the calculation of impairment of financial assets*

The Company assigns to customers with whom it maintains an account receivable at each reporting date, either individually or as a group, an estimate of the probability of default on the payment of accounts receivable and the estimated recovery rate, with the purpose of reflecting the cash flows expected to be received from the outstanding balances on such reporting date.



e) *Business combinations*

When business combinations are concluded, the acquisition method is required to recognize the identifiable net assets acquired at fair value, at the date of acquisition; any excess of the consideration paid, which may include over the identified net assets, is recognized as goodwill, which is subject to impairment tests at least once a year. On the other hand, any excess of the net assets acquired over the consideration paid is recognized as a gain in profit or loss.

To estimate the fair value of the assets acquired and liabilities assumed, the Company uses observable market data to the extent it is available. When the input data of Level 1 is not available, the Company hires an independent qualified appraiser to perform the valuation. Management works closely with the independent qualified appraiser to establish the valuation techniques, the premises, the appropriate input data and the criteria to be used in the valuation models.

f) *Estimation of the discount rate to calculate the present value of future minimum lease payments*

The Company estimates the discount rate to be used in determining the lease liability, based on the incremental borrowing rate (“IBR”).

The Company uses a three-tier model, with which it determines the three elements that make up the discount rate: (i) reference rate, (ii) credit risk component and (iii) adjustment for characteristics of the underlying asset. In this model, management also considers its policies and practices to obtain financing, distinguishing between that obtained at the corporate level (that is, by the parent), or at the level of each subsidiary. Finally, for real estate leases, or, in which there is significant and observable evidence of the residual value, the Company estimates and evaluates an adjustment for characteristics of the underlying asset, taking into account the possibility that said asset is granted as collateral or guarantee against the risk of default.

g) *Estimation of the lease term*

The Company defines the lease term as the period for which there is a contractual payment commitment, considering the non-cancelable period of the contract, as well as the renewal and early termination options that are likely to be exercised. To measure the lease liability, the Company estimates the term of the contracts considering their contractual rights and limitations, their business plan, as well as management’s intentions for the use of the underlying asset.

Additionally, the Company considers the early termination clauses of its contracts and the probability of exercising them, as part of its estimate of the lease term.

5.2 Critical judgments in applying the entity's accounting policies

a) *Determination of exercise of control over certain investments in shares*

The Company has evaluated critical control factors and has concluded that it should consolidate the financial statements of its subsidiaries Polioles and Indelpro. The analysis performed by the Company included the assessment of the substantive decision making rights of the respective shareholders set forth in their bylaws, resulting in management’s conclusion that it has the power to govern their relevant activities.

6. Cash and cash equivalents and restricted cash

The cash and cash equivalents are comprised as follows:

	As of December 31,		
	2025	2024	2023
Cash on hand and in banks	\$6,312	\$4,802	\$5,898
Short-term bank deposits	1,731	1,414	1,493
Total cash and cash equivalents	<u>\$8,043</u>	<u>\$6,216</u>	<u>\$7,391</u>

Restricted cash

The restricted cash balance is made up of cash whose restrictions cause the definition of cash and cash equivalents not to be met, thus classified as current and non-current assets in the consolidated statement of financial position, based on the expiration date of the restriction.



7. Trade and other receivables, net

Trade and other accounts receivable, net are comprised as follows:

	As of December 31,		
	2025	2024	2023
Trade accounts receivable	\$12,375	\$16,060	\$14,594
Trade and other accounts receivable from related parties (Note 28)	141	182	454
Recoverable taxes	3,682	3,950	4,237
Notes receivable	22	32	7
Interest receivable	21	10	4
Sundry debtors	383	502	264
Other investments	-	166	-
Allowance for impairment of trade and other accounts receivable	<u>(2,200)</u>	<u>(2,471)</u>	<u>(2,087)</u>
Total	<u>\$14,424</u>	<u>\$18,431</u>	<u>\$17,473</u>

The changes in the impairment allowance for trade and other receivables in 2025, 2024 and 2023, with the expected losses model used by the Company, are as follows:

For the year ended December 31, 2025:

Customers or customer groups	Default probability range	Loss given default range	Opening balance – Impairment allowance	Increases in the allowance	Cancellations in the allowance	Translation effect	Ending balance – Impairment allowance
Alpek Polyester ⁽¹⁾	0%-100%	0%-100%	\$ (2,440)	\$ (147)	\$ 160	\$ 269	\$ (2,158)
Grupo Styropek ⁽¹⁾	0%	0%-10%	(4)	(8)	4	-	(8)
Polioles	0%	0%-5%	(2)	(8)	-	-	(10)
Indelpro and other ⁽¹⁾	0.87%-2%	2.45%-98%	<u>(25)</u>	<u>(5)</u>	<u>6</u>	<u>-</u>	<u>(24)</u>
Total			<u>\$ (2,471)</u>	<u>\$ (168)</u>	<u>\$ 170</u>	<u>\$ 269</u>	<u>\$ (2,200)</u>

⁽¹⁾ The default probability range does not consider customers and groups of customers for which the probability is 100%.

For the year ended December 31, 2024:

Customers or customer groups	Default probability range	Loss given default range	Opening balance – Impairment allowance	Increases in the allowance	Cancellations in the allowance	Translation effect	Ending balance – Impairment allowance
Alpek Polyester ⁽¹⁾	0%-100%	0%-100%	\$ (2,061)	\$ (101)	\$ 91	\$ (369)	\$ (2,440)
Grupo Styropek ⁽¹⁾	0%	0%-10%	(4)	(2)	3	(1)	(4)
Polioles	0%	0%-5%	(6)	(2)	6	-	(2)
Indelpro and other ⁽¹⁾	0.61%	4.56%	<u>(16)</u>	<u>(10)</u>	<u>1</u>	<u>-</u>	<u>(25)</u>
Total			<u>\$ (2,087)</u>	<u>\$ (115)</u>	<u>\$ 101</u>	<u>\$ (370)</u>	<u>\$ (2,471)</u>

⁽¹⁾The default probability range does not consider customers and groups of customers for which the probability is 100%.

For the year ended December 31, 2023:

Customers or customer groups	Default probability range	Loss given default range	Opening balance – Impairment allowance	Increases in the allowance	Cancellations in the allowance	Translation effect	Ending balance – Impairment allowance
Alpek Polyester ⁽¹⁾	0%-100%	0%-100%	\$ (2,362)	\$ (165)	\$ 63	\$ 403	\$ (2,061)
Grupo Styropek ⁽¹⁾	0%	0%-10%	(109)	(6)	102	9	(4)
Polioles	0%	0%-5%	(29)	(8)	28	3	(6)
Indelpro and other ⁽¹⁾	0.65%	3.42%	<u>(31)</u>	<u>(1)</u>	<u>16</u>	<u>-</u>	<u>(16)</u>
Total			<u>\$ (2,531)</u>	<u>\$ (180)</u>	<u>\$ 209</u>	<u>\$ 415</u>	<u>\$ (2,087)</u>

⁽¹⁾The default probability range does not consider customers and groups of customers for which the probability is 100%.



As of December 31, 2025, 2024 and 2023, the Company has guaranteed accounts receivable of \$1,561, \$1,761, and \$1,540, respectively.

The net change in the allowance for impairment of trade and other receivables of \$272 and \$384 in the years ended December 31, 2025 and 2024, was primarily due to the increase and decrease, respectively, in the probability of default in certain customers compared to the beginning of the year, as well as the translation effect.

The Company has long-term receivables that are guaranteed with the properties of M&G México's PET production plant in Altamira, México, which have been used by Management to mitigate the exposure to credit risk of such financial assets, and therefore has not recognized an impairment in their carrying amount.

8. Inventories

	As of December 31,		
	2025	2024	2023
Finished good	\$11,129	\$13,542	\$11,358
Raw material and other consumables	9,356	11,408	9,020
Materials and tools	2,355	2,609	2,383
Production in progress	594	685	561
	<u>\$23,434</u>	<u>\$28,244</u>	<u>\$23,322</u>

For the years ended December 31, 2025, 2024 and 2023, a provision amounting to \$145, \$23, and \$125, respectively, related to damaged, slow-moving and obsolete inventory was recognized in the consolidated statement of income.

As of December 31, 2025, 2024 and 2023, there were no inventories pledged as collateral.

9. Prepayments

The current portion and non-current portion of prepaid expenses is summarized as follows:

	As of December 31,		
	2025	2024	2023
Current portion ⁽¹⁾	\$ 993	\$ 885	\$ 744
Non-current portion	16	12	6
Total prepayments	<u>\$1,009</u>	<u>\$ 897</u>	<u>\$ 750</u>

⁽¹⁾ This item mainly consists of advance payments for raw materials and prepaid insurance.



10. Property, plant and equipment, net

	Land	Buildings and constructions	Machinery and equipment	Vehicles	Furniture, lab and information technology equipment	Construction in progress	Other fixed assets	Total
For the year ended December 31, 2023								
Opening balance	\$ 3,853	\$ 9,356	\$ 29,480	\$ 131	\$ 735	\$ 3,258	\$ 1,638	\$ 48,451
Additions	-	-	15	1	7	2,881	162	3,066
Disposals	(8)	(10)	(72)	-	(1)	(16)	(179)	(286)
Impairment ⁽¹⁾	(56)	(93)	(831)	(3)	(26)	(404)	(35)	(1,448)
Restatement and translation effect	(338)	(844)	(3,791)	(18)	(88)	(384)	(190)	(5,653)
Depreciation charges recognized in the year	-	(370)	(2,689)	(18)	(112)	-	-	(3,189)
Transfers	-	(1,261)	3,548	31	101	(2,408)	-	11
Ending balance as of December 31, 2023	<u>\$ 3,451</u>	<u>\$ 6,778</u>	<u>\$ 25,660</u>	<u>\$ 124</u>	<u>\$ 616</u>	<u>\$ 2,927</u>	<u>\$ 1,396</u>	<u>\$ 40,952</u>
As of December 31, 2023								
Cost	\$ 3,451	\$ 17,460	\$ 76,364	\$ 369	\$ 2,233	\$ 2,927	\$ 1,396	\$ 104,200
Accumulated depreciation and accumulated impairment	-	(10,682)	(50,704)	(245)	(1,617)	-	-	(63,248)
Net carrying amount as of December 31, 2023	<u>\$ 3,451</u>	<u>\$ 6,778</u>	<u>\$ 25,660</u>	<u>\$ 124</u>	<u>\$ 616</u>	<u>\$ 2,927</u>	<u>\$ 1,396</u>	<u>\$ 40,952</u>
For the year ended December 31, 2024								
Opening balance	\$ 3,451	\$ 6,778	\$ 25,660	\$ 124	\$ 616	\$ 2,927	\$ 1,396	\$ 40,952
Additions	-	-	855	3	1	1,983	341	3,183
Additions for business acquisitions	90	42	60	1	-	100	-	293
Disposals	-	(1)	(39)	(6)	(8)	1	(4)	(57)
Impairment ⁽²⁾	-	(29)	(1,421)	(13)	(1)	(11)	(15)	(1,490)
Restatement and translation effect	406	952	4,660	23	121	327	181	6,670
Depreciation charges recognized in the year	-	(392)	(2,722)	(19)	(121)	-	-	(3,254)
Transfers	20	118	2,166	29	131	(2,529)	85	20
Ending balance as of December 31, 2024	<u>\$ 3,967</u>	<u>\$ 7,468</u>	<u>\$ 29,219</u>	<u>\$ 142</u>	<u>\$ 739</u>	<u>\$ 2,798</u>	<u>\$ 1,984</u>	<u>\$ 46,317</u>
As of December 31, 2024								
Cost	\$ 3,967	\$ 20,398	\$ 92,488	\$ 463	\$ 2,763	\$ 2,798	\$ 1,984	\$ 124,861
Accumulated depreciation and accumulated impairment	-	(12,930)	(63,269)	(321)	(2,024)	-	-	(78,544)
Net carrying amount as of December 31, 2024	<u>\$ 3,967</u>	<u>\$ 7,468</u>	<u>\$ 29,219</u>	<u>\$ 142</u>	<u>\$ 739</u>	<u>\$ 2,798</u>	<u>\$ 1,984</u>	<u>\$ 46,317</u>



	Land	Buildings and constructions	Machinery and equipment	Vehicles	Furniture, lab and information technology equipment	Construction in progress	Other fixed assets	Total
For the year ended December 31, 2025								
Opening balance	\$ 3,967	\$ 7,468	\$ 29,219	\$ 142	\$ 739	\$ 2,798	\$ 1,984	\$ 46,317
Additions	-	2	177	5	9	2,462	405	3,060
Additions for business acquisitions	56	68	59	10	19	71	-	283
Disposals	-	(3)	(72)	-	(1)	(26)	(112)	(214)
Impairment ⁽³⁾	(10)	15	(521)	(1)	(8)	(163)	-	(688)
Restatement and translation effect	(293)	(675)	(3,020)	(15)	(77)	(209)	(177)	(4,466)
Depreciation charges recognized in the year	-	(410)	(2,861)	(20)	(123)	-	-	(3,414)
Transfers	-	294	2,152	12	118	(2,578)	-	(2)
Ending balance as of December 31, 2025	<u>\$ 3,720</u>	<u>\$ 6,759</u>	<u>\$ 25,133</u>	<u>\$ 133</u>	<u>\$ 676</u>	<u>\$ 2,355</u>	<u>\$ 2,100</u>	<u>\$ 40,876</u>
As of December 31, 2025								
Cost	\$ 3,720	\$ 18,717	\$ 82,958	\$ 455	\$ 2,635	\$ 2,355	\$ 2,100	\$112,940
Accumulated depreciation and accumulated impairment	<u>-</u>	<u>(11,958)</u>	<u>(57,825)</u>	<u>(322)</u>	<u>(1,959)</u>	<u>-</u>	<u>-</u>	<u>(72,064)</u>
Net carrying amount as of December 31, 2025	<u>\$ 3,720</u>	<u>\$ 6,759</u>	<u>\$ 25,133</u>	<u>\$ 133</u>	<u>\$ 676</u>	<u>\$ 2,355</u>	<u>\$ 2,100</u>	<u>\$ 40,876</u>

- (1) Mainly corresponds to \$950 from the closure of the PET resin production operations at the Cooper River site, \$409 from the closure of the filament production plant and the remainder to the Company's normal operations.
- (2) Mainly corresponds to \$1,191 from the suspension of EPS operations in Beaver Valley and the remainder to the Company's normal operation.
- (3) Mainly corresponds to \$362 from the suspension of operations of PET in North Carolina, \$138 from the closure of the filament production plant and the remainder to the Company's normal operations.

Depreciation expenses of \$3,354, \$3,195, and \$3,134 were recorded in cost of sales, \$27, \$11, and \$12, in selling expenses and \$32, \$48, and \$43, in administrative expenses in 2025, 2024 and 2023, respectively.



11. Right-of-use asset, net

Alpek has leases of fixed assets including buildings, machinery and equipment, transportation equipment, and computer equipment. As of December 31, 2025, the average term of the lease contracts is 8 years.

The right-of-use recognized in the consolidated statement of financial position as of December 31, 2025, 2024 and 2023, is integrated as follows:

	Land	Buildings	Machinery and equipment	Rail cars	Ships and other leased assets	Total
Net carrying amount:						
Balance as of December 31, 2023	\$ 294	\$ 576	\$ 472	\$ 1,775	\$ 53	\$ 3,170
Balance as of December 31, 2024	\$ 397	\$ 499	\$ 875	\$ 1,877	\$ 89	\$ 3,737
Balance as of December 31, 2025	\$ 375	\$ 430	\$ 700	\$ 1,433	\$ 67	\$ 3,005
Depreciation for the year 2023	\$ (31)	\$ (85)	\$ (294)	\$ (436)	\$ (150)	\$ (996)
Depreciation for the year 2024	\$ (88)	\$ (68)	\$ (267)	\$ (457)	\$ (190)	\$ (1,070)
Depreciation for the year 2025	\$ (158)	\$ (74)	\$ (326)	\$ (508)	\$ (211)	\$ (1,277)

During the years ended December 31, 2025, 2024 and 2023, the Company recognized a lease expense of \$858, \$704, \$559, respectively, related to low value and short-term lease agreements.

Additions derived from business acquisitions, new contracts and modifications to the lease liability, reflected in the net book value of the right-of-use asset as of December 31, 2025, 2024 and 2023 amounted to \$871, \$1,327, and \$1,409, respectively.

As of December 31, 2025, 2024 and 2023, the Company does not have any commitments related to short-term lease agreements.

The Company has not signed lease contracts, which at the date of the consolidated financial statements have not started.

During the year, the Company did not execute significant extensions to the term of its lease contracts.



12. Goodwill and intangible assets, net

Cost	Definite life					Indefinite life				
	Development costs	Non-compete agreements	Customer relationships	Patent	Software and licenses	Trademarks with definite life	Intellectual property, and others	Goodwill	Other	Total
As of January 1, 2023	\$ 952	\$ 74	\$ 997	\$1,608	\$ 277	\$ 198	\$ 3,668	\$ 387	\$ 9	\$ 8,170
Additions	7	-	-	-	24	-	-	-	-	31
Disposals	-	-	-	-	(1)	-	-	-	-	(1)
Transfers	2	-	-	-	9	-	-	-	-	11
Translation effect	(120)	(3)	(104)	(216)	(17)	(17)	(482)	(49)	(1)	(1,009)
As of December 31, 2023	841	71	893	1,392	292	181	3,186	338	8	7,202
Additions	7	3	-	-	8	-	-	-	-	18
Additions for business acquisitions	-	-	-	-	2	-	-	-	-	2
Disposals	-	-	-	-	(10)	-	-	-	-	(10)
Dispositions	-	-	(1)	-	-	-	-	-	-	(1)
Transfers	5	-	-	-	-	-	-	-	-	5
Translation effect	168	2	107	296	30	10	627	67	2	1,309
As of December 31, 2024	1,021	76	999	1,688	322	191	3,813	405	10	8,525
Additions	8	22	-	-	43	-	6	-	-	79
Additions for business acquisitions	-	-	-	-	3	-	-	-	-	3
Impairment	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	(16)	-	-	-	-	-	(16)
Transfers	-	-	-	8	(18)	5	(2)	-	-	(7)
Translation effect	(115)	(16)	(84)	(201)	(37)	(11)	(426)	(46)	(1)	(937)
As of December 31, 2025	<u>\$ 914</u>	<u>\$ 82</u>	<u>\$ 915</u>	<u>\$1,479</u>	<u>\$ 313</u>	<u>\$ 185</u>	<u>\$ 3,391</u>	<u>\$ 359</u>	<u>\$ 9</u>	<u>\$ 7,647</u>



Amortization and Impairment	Definite life						Indefinite life			
	Development costs	Non-compete agreements	Customer relationships	Patent	Software and licenses	Trademarks with definite life	Intellectual property, and others	Goodwill	Other	Total
As of January 1, 2023	\$ (619)	\$ (74)	\$ (657)	\$ (93)	\$ (186)	\$ (125)	\$ (1,991)	\$ -	\$ -	\$ (3,745)
Amortization	(24)	-	(53)	(151)	(8)	(4)	(194)	-	-	(434)
Disposals	-	-	-	-	1	-	-	-	-	1
Translation effect	82	3	80	27	12	8	258	-	-	470
As of December 31, 2023	<u>(561)</u>	<u>(71)</u>	<u>(630)</u>	<u>(217)</u>	<u>(181)</u>	<u>(121)</u>	<u>(1,927)</u>	<u>-</u>	<u>-</u>	<u>(3,708)</u>
Amortization	(22)	-	(53)	(156)	(17)	(4)	(191)	-	-	(443)
Additions for business acquisitions	-	-	-	-	(2)	-	-	-	-	(2)
Impairment	-	-	-	-	9	-	-	-	-	9
Disposals	-	-	1	-	-	-	-	-	-	1
Translation effect	(113)	(2)	(107)	(72)	(17)	1	(397)	-	-	(707)
As of December 31, 2024	<u>\$ (696)</u>	<u>\$ (73)</u>	<u>\$ (789)</u>	<u>\$ (445)</u>	<u>\$ (208)</u>	<u>\$ (124)</u>	<u>\$ (2,515)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,850)</u>
Amortization	(22)	(2)	(54)	(163)	(21)	(5)	(199)	-	-	(466)
Additions for business acquisitions	-	-	-	-	-	-	(6)	-	-	(6)
Impairment	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	(4)	(4)	(5)	13	-	-	-
Disposals	-	-	-	13	-	-	-	-	-	13
Translation effect	82	14	82	68	14	4	292	-	-	556
As of December 31, 2025	<u>\$ (636)</u>	<u>\$ (61)</u>	<u>\$ (761)</u>	<u>\$ (531)</u>	<u>\$ (219)</u>	<u>\$ (130)</u>	<u>\$ (2,415)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,753)</u>
Net carrying amount										
Cost	\$ 841	\$ 71	\$ 893	\$ 1,392	\$ 292	\$ 181	\$ 3,186	\$ 338	\$ 8	\$ 7,202
Amortization and impairment	<u>(561)</u>	<u>(71)</u>	<u>(630)</u>	<u>(217)</u>	<u>(181)</u>	<u>(121)</u>	<u>(1,927)</u>	<u>-</u>	<u>-</u>	<u>(3,708)</u>
As of December 31, 2023	<u>\$ 280</u>	<u>\$ -</u>	<u>\$ 263</u>	<u>\$ 1,175</u>	<u>\$ 111</u>	<u>\$ 60</u>	<u>\$ 1,259</u>	<u>\$ 338</u>	<u>\$ 8</u>	<u>\$ 3,494</u>
Cost	\$ 1,021	\$ 76	\$ 999	\$ 1,688	\$ 322	\$ 191	\$ 3,813	\$ 405	\$ 10	\$ 8,525
Amortization	<u>(696)</u>	<u>(73)</u>	<u>(789)</u>	<u>(445)</u>	<u>(208)</u>	<u>(124)</u>	<u>(2,515)</u>	<u>-</u>	<u>-</u>	<u>(4,850)</u>
As of December 31, 2024	<u>\$ 325</u>	<u>\$ 3</u>	<u>\$ 210</u>	<u>\$ 1,243</u>	<u>\$ 114</u>	<u>\$ 67</u>	<u>\$ 1,298</u>	<u>\$ 405</u>	<u>\$ 10</u>	<u>\$ 3,675</u>
Cost	914	82	915	1,479	313	185	3,391	359	9	7,647
Amortization and impairment	<u>(636)</u>	<u>(61)</u>	<u>(761)</u>	<u>(531)</u>	<u>(219)</u>	<u>(130)</u>	<u>(2,415)</u>	<u>-</u>	<u>-</u>	<u>(4,753)</u>
As of December 31, 2025	<u>\$ 278</u>	<u>\$ 21</u>	<u>\$ 154</u>	<u>\$ 948</u>	<u>\$ 94</u>	<u>\$ 55</u>	<u>\$ 976</u>	<u>\$ 359</u>	<u>\$ 9</u>	<u>\$ 2,894</u>



Of the total amortization expense, \$464, \$438, and \$425 have been recorded in cost of sales and \$2, \$5, and \$9 in administrative and selling expenses in 2025, 2024 and 2023, respectively.

Incurred research and development expenses that have been recorded in the 2025, 2024 and 2023 consolidated statements of income were \$33, \$52, and \$68, respectively.

Impairment testing of goodwill and indefinite lived intangible assets

As mentioned in Note 5, goodwill is allocated to operating segments that are expected to benefit from the synergies of the business combination, irrespective of whether other assets or liabilities of the acquirer are assigned to those units or groups of units. As of December 31, 2025, 2024 and 2023, goodwill of \$359, \$405, and \$338, respectively, arises primarily from the Polyester segment.

The recoverable amount from each group of CGU has been determined based on calculations of values in use, which are formed by after-tax cash flow projections based on financial budgets approved by Management covering a period of 5 years.

The gross and operating margins included in the estimates of value in use have been estimated based on the historical performance and the growth expectations of the market in which each group of CGUs operates. The long-term growth rate used in estimating the value in use is consistent with the projections included in industry reports. The present value of the cash flows was discounted using a specific discount rate after taxes for each group of CGU and reflects the specific risks associated with each of them.

The key assumptions used in calculating the value in use in 2025, 2024 and 2023, were as follows:

	2025	2024	2023
Estimated gross margin	8.0%	8.5%	8.3%
Growth rate	3.0%	2.6%	2%
Discount rate	9.0%	9.1%	9.1%

13. Investments accounted for using the equity method and other non-current assets

	As of December 31,		
	2025	2024	2023
Notes receivable ⁽¹⁾	\$1,696	\$1,970	\$1,693
Due from related parties (Note 28)	-	1,178	763
Trade receivables related with business acquisitions	355	615	684
Total other non-current financial assets	2,051	3,763	3,140
Investment in associates and joint ventures	66	63	261
Recoverable taxes	698	753	886
Other	90	80	94
Total investments accounted for using the equity method and other non-current assets	<u>\$2,905</u>	<u>\$4,659</u>	<u>\$4,381</u>

⁽¹⁾ As of December 31, 2025, 2024 and 2023, this item mainly consisted of the financing provided to M&G Polímeros México, S.A. de C.V.

The Company's account of investments in associates and joint ventures consists of the following:

	Shareholding %	2025	2024	2023
Terminal Petroquímica Altamira, S.A. de C.V.	42.04%	\$ 66	\$ 63	\$ 61
Clear Path Recycling, LLC ⁽¹⁾	49.90%	-	-	105
Agua Industrial del Poniente, S.A. de C.V. ⁽²⁾	47.59%	-	-	95
Investment in associates and joint ventures as of December 31		<u>\$ 66</u>	<u>\$ 63</u>	<u>\$261</u>

(1) On September 1, 2024, the Company obtained control over this investment in associates, holding 100% of the shareholding as of December 31, 2024. The shareholding as of December 31, 2023 was 49.9%. The acquisition was considered a staged business combination based on IFRS 3 requirements; fair value adjustments to assets acquired and liabilities assumed, as well as required disclosures, were not considered significant.

(2) On June 13, 2024, the Company obtained control over this investment in associates, holding 55.6% of the shareholding as of December 31, 2024. The shareholding as of December 31, 2023 was 47.6%. The acquisition was considered a staged business combination based on IFRS 3 requirements; fair value adjustments to assets acquired and liabilities assumed, as well as required disclosures, were not considered significant.



Below is summarized the net loss of investments in associates and joint ventures, which are accounted for by the equity method of the Company:

	2025	2024	2023
Net comprehensive income (loss)	\$ 10	\$ 1	\$ (557)

There are neither commitments nor contingent liabilities regarding the Company's investment in associates and joint ventures as of December 31, 2025, 2024 or 2023.

14. Subsidiaries with significant non-controlling interest

The significant non-controlling interest is integrated as follows:

	Non-controlling ownership percentage	Non-controlling net interest income (loss) for the period			Non-controlling interest as of December 31,		
		2025	2024	2023	2025	2024	2023
Indelpro, S. A. de C. V.	49%	\$ 684	\$ 371	\$ 885	\$3,753	\$4,205	\$3,887
Poliolos, S. A. de C. V.	50%	139	65	145	651	624	487
Terza, S. A. de C. V. ⁽¹⁾	50%	(5)	-	-	234	-	-
Other		(260)	117	(149)	95	423	156
		<u>\$ 558</u>	<u>\$ 553</u>	<u>\$ 881</u>	<u>\$4,733</u>	<u>\$5,252</u>	<u>\$4,530</u>

(1) On November 1, 2025, the Company acquired a 50% equity interest in Terza, S.A. de C.V. The acquisition was accounted for as a business combination in accordance with the requirements of IFRS 3; the fair value adjustments to the acquired assets and assumed liabilities, as well as the related disclosure requirements, were not considered significant.

The summarized financial information as of December 31, 2025, 2024 and 2023, and for the years then ended, corresponding to each subsidiary with a significant non-controlling interest is shown below:

	Indelpro, S. A. de C. V.			Poliolos, S. A. de C. V.		
	2025	2024	2023	2025	2024	2023
Statement of financial position						
Current assets	\$ 3,676	\$ 4,461	\$ 3,972	\$ 1,094	\$ 1,193	\$ 962
Non-current assets	6,658	7,762	6,605	877	965	815
Current liabilities	1,240	1,811	1,211	542	670	508
Non-current liabilities	1,435	1,831	1,433	127	242	295
Stockholders' equity	7,659	8,581	7,933	1,302	1,246	974
Statements of income						
Revenues	9,623	11,660	10,442	2,803	3,055	3,023
Consolidated net income	1,396	757	1,807	279	131	289
Total comprehensive income of the year	384	2,321	636	111	328	152
Comprehensive income attributable to non-controlling interest	188	1,137	312	55	164	76
Dividends paid to non-controlling interest	639	749	886	27	27	27
Statements of cash flows						
Net cash flows generated by operating activities	1,876	1,969	1,838	403	220	206
Net cash flows (used in) generated by investing activities	(157)	(176)	(134)	(70)	(53)	(47)
Net cash flows used in financing activities	(1,620)	(1,819)	(2,057)	(120)	(150)	(351)
Net increase (decrease) in cash and cash equivalents	20	100	(422)	207	16	(220)



15. Trade and other accounts payable

	As of December 31,		
	2025	2024	2023
Trade accounts payable	\$ 22,553	\$ 27,618	\$ 24,650
Short-term employee benefits	651	1,094	709
Advances from customers	128	36	54
Taxes other than income taxes	395	677	371
Due to related parties (Note 28)	208	168	153
Other accrued accounts and expenses payable	1,481	1,743	1,192
	<u>\$ 25,416</u>	<u>\$ 31,336</u>	<u>\$ 27,129</u>

16. Debt

	As of December 31,		
	2025	2024	2023
Current:			
Bank loans ⁽¹⁾	\$ 1,779	\$ 1,263	\$ 343
Current portion of non-current debt	62	-	-
Interest payable	290	373	346
Current debt ⁽²⁾	<u>\$ 2,131</u>	<u>\$ 1,636</u>	<u>\$ 689</u>
	As of December 31,		
	2025	2024	2023
Non-current:			
Senior Notes	\$19,885	\$22,405	\$18,648
Unsecured bank loans	15,875	16,729	14,177
Other loans	137	153	127
Total	35,897	39,287	32,952
Less: Current portion of non-current debt	(62)	-	-
Less: Interest generated by non-current debt	(286)	(353)	(304)
Non-current debt	<u>\$35,549</u>	<u>\$38,934</u>	<u>\$32,648</u>

⁽¹⁾ As of December 31, 2025, 2024 and 2023, short-term bank loans and notes payable incurred interest at an annual average rate of 4.77%, 5.35%, and 9.56%, respectively.

⁽²⁾ The fair value of bank loans and notes payable approximates their current carrying amount because of their short maturity.



The carrying amounts, terms and conditions of non-current debt are as follows:

Description	Currency	Outstanding Balance	Debt		Balance as of December 31, 2025 ⁽¹⁾	Balance as of December 31, 2024 ⁽¹⁾	Balance as of December 31, 2023 ⁽¹⁾	Maturity date	Interest rate
			issuance costs	Interest payable					
Senior Notes 144A/Reg. S / fixed rate	USD	\$ 8,974	\$ (29)	\$ 111	\$ 9,056	\$ 10,204	\$ 8,493	18-sep-29	4.25%
Senior Notes 144A/Reg. S / fixed rate	USD	10,747	(41)	123	10,829	12,201	10,155	25-feb-31	3.25%
Total Senior Notes		<u>19,721</u>	<u>(70)</u>	<u>234</u>	<u>19,885</u>	<u>22,405</u>	<u>18,648</u>		
Bank loan, SOFR + 1.00%	USD	-	-	-	-	2,332	2,112	01-may-26	4.57%
Bank loan, SOFR + 1.60%	USD	36	-	-	36	81	85	29-jun-27	5.30%
Bank loan, SOFR + 1.71%	USD	62	-	-	62	61	98	20-jun-26	5.41%
Bank loan, SOFR + 1.03%	USD	2,875	-	22	2,897	4,089	3,416	21-jul-28	4.92%
Bank loan, SOFR + 1.00%	USD	-	-	-	-	2,032	1,692	6-apr-27	4.51%
Bank loan, SOFR + 1.05%	USD	-	-	-	-	4,071	3,391	7-apr-27	4.52%
Bank loan, SOFR + 1.00%	USD	-	-	-	-	2,031	1,691	6-may-27	4.51%
Bank loan, SOFR + 1.00%	USD	-	-	-	-	2,032	1,692	6-apr-27	4.51%
Bancario, SOFR + 1.25%	USD	719	3	-	722	-	-	30-jun-30	4.94%
Bancario, SOFR + 1.25%	USD	900	-	-	900	-	-	30-jun-30	4.92%
Bancario, SOFR + 1.25%	USD	1,797	(12)	1	1,786	-	-	25-jun-30	4.94%
Bancario, SOFR + 1.65%	USD	2,695	(1)	2	2,696	-	-	26-jun-32	5.25%
Bancario, SOFR + 1.20%	USD	3,593	15	18	3,626	-	-	01-aug-30	5.04%
Bancario, SOFR + 1.10%	USD	1,976	-	3	1,979	-	-	28-feb-29	4.93%
Bancario, SOFR + 1.35%	USD	1,166	-	5	1,171	-	-	31-mar-28	5.79%
Total unsecured bank loans		<u>15,819</u>	<u>5</u>	<u>51</u>	<u>15,875</u>	<u>16,729</u>	<u>14,177</u>		
Other loans	USD	136	-	1	137	153	127	Various	Various
Total		<u>35,676</u>	<u>(65)</u>	<u>286</u>	<u>35,897</u>	<u>39,287</u>	<u>32,952</u>		
Less: current portion and interest of non-current debt		<u>(62)</u>	<u>-</u>	<u>(286)</u>	<u>(348)</u>	<u>(353)</u>	<u>(304)</u>		
Non-current debt		<u>\$ 35,614</u>	<u>\$ (65)</u>	<u>\$ -</u>	<u>\$ 35,549</u>	<u>\$ 38,934</u>	<u>\$ 32,648</u>		

⁽¹⁾ As of December 31, 2025, 2024 and 2023, issuance costs of the debt pending amortization were \$63, \$118, and \$125, respectively.

As of December 31, 2025, the annual maturities of non-current debt, including current portion and interest payable, and gross from issuance costs are as follows:

	2026	2027	2028	2029 and thereafter	Total
Senior Notes	\$ 234	\$ -	\$ -	\$19,721	\$19,955
Bank loans	113	126	4,221	11,410	15,870
Other loans	1	-	-	136	137
	<u>\$ 348</u>	<u>\$ 126</u>	<u>\$4,221</u>	<u>\$31,267</u>	<u>\$35,962</u>

As of December 31, 2025, 2024 and 2023, the Company has committed unused lines of credit totaling US\$529, US\$587, and US\$584, respectively.

Covenants:

Loan contracts and debt agreements contain restrictions, primarily relating to compliance with financial ratios, which include the following:

- Interest hedge ratio: it is calculated by dividing the profit before financial result, net, share of result of associates and joint ventures, income taxes, depreciation and amortization (EBITDA) by the net interest charges for the last four quarters of the analyzed period. This ratio cannot be less than 2.25 times.



- b) Leverage ratio: defined as the result of dividing the consolidated net debt (current and non-current debt, excluding debt issuance costs less restricted and unrestricted cash and cash equivalents) by the EBITDA of the last four quarters of the period analyzed. This ratio cannot be greater than 4.5 times.

Additionally, there are other restrictions in regards of incurring additional debt or making loans that require mortgaging assets, dividend payments and submission of financial information, which if not met or remedied within a specified period to the satisfaction of creditors may cause the debt to become payable immediately. During 2025, 2024 and 2023, the financial ratios were calculated according with the formulas set forth in the loan agreements. As of December 31, 2025 and the date of issuance of these consolidated financial statements, the Company and its subsidiaries complied satisfactorily with such covenants and restrictions.

17. Lease liability

	As of December 31,		
	2025	2024	2023
Current portion:			
USD	\$ 594	\$ 623	\$ 454
MXN	157	197	128
Other currencies	129	124	119
Current lease liability	<u>\$ 880</u>	<u>\$ 944</u>	<u>\$ 701</u>
Non-current portion:			
USD	\$ 2,576	\$ 3,090	\$2,671
MXN	307	410	261
Other currencies	479	604	524
	<u>3,362</u>	<u>4,104</u>	<u>3,456</u>
Less: Current portion of lease liability	<u>(880)</u>	<u>(944)</u>	<u>(701)</u>
Non-current lease liability	<u>\$ 2,482</u>	<u>\$ 3,160</u>	<u>\$2,755</u>

As of December 31, 2025, 2024 and 2023, respectively, changes in the lease liability related to finance activities in accordance with the consolidated statement of cash flow are integrated as follows:

	2025	2024	2023
Beginning balance	\$ 4,104	\$ 3,456	\$ 3,624
New contracts ⁽¹⁾	871	1,327	1,409
Write-offs	(16)	(30)	(251)
Adjustment to liability balance	42	(191)	51
Interest expense from lease liability	262	259	231
Lease payments	(1,516)	(1,269)	(1,170)
Exchange loss (gain), net	<u>(385)</u>	<u>552</u>	<u>(438)</u>
Ending balance	<u>\$ 3,362</u>	<u>\$ 4,104</u>	<u>\$ 3,456</u>

⁽¹⁾ Includes lease liabilities assumed in business acquisitions.

The maturity of the lease liability is analyzed as follows:

	As of December 31,		
	2025	2024	2023
Less than a year	\$ 880	\$ 944	\$ 701
Over 1 year and less than 5 years	1,616	2,072	1,579
Over 5 years	866	1,088	1,176
Total	<u>\$ 3,362</u>	<u>\$ 4,104</u>	<u>\$ 3,456</u>



18. Provisions

	Dismantling, demolition and environmental remediation	Legal contingencies	Other ⁽¹⁾	Total
As of January 1, 2023	\$ 56	\$ 605	\$ 1,193	\$ 1,854
Increases	379	138	241	758
Payments	(112)	-	(745)	(857)
Write-offs	(1)	(40)	(35)	(76)
Translation effect	(28)	(29)	(134)	(191)
As of December 31, 2023	294	674	520	1,488
Increases	844	87	196	1,127
Payments	(174)	-	(338)	(512)
Write-offs	(94)	(105)	(73)	(272)
Translation effect	32	(37)	24	19
As of December 31, 2024	\$ 902	\$ 619	\$ 329	\$ 1,850
Increases	162	108	207	477
Payments	(188)	(128)	(366)	(682)
Write-offs	(31)	(224)	(16)	(271)
Translation effect	(95)	3	(15)	(107)
As of December 31, 2025	<u>\$ 750</u>	<u>\$ 378</u>	<u>\$ 139</u>	<u>\$ 1,267</u>

(1) As of December 31, 2023, the increases in "others" are mainly made up of the contingent consideration for the acquisition of Octal businesses for \$904 (see Note 2), as well as reimbursement for taxes to be recovered from Petrobras \$215.

	2025	2024	2023
Short-term provisions	\$ 258	\$ 199	\$ 749
Long-term provisions	1,009	1,651	739
As of December 31	<u>\$1,267</u>	<u>\$1,850</u>	<u>\$1,488</u>

As of December 31, 2025, 2024 and 2023, the provisions shown in the table above mainly include \$42 (US\$2), \$43 (US\$2), and \$103 (US\$6), respectively, related to the obligation to give back to Petrobras certain tax credits, in case they are recovered by Alpek Polyester Pernambuco and Alpek Polyester Brasil, as well as \$378 (US\$21), \$605, (US\$30), and \$673 (US\$40) for labor, civil and tax contingencies also derived from the acquisition of Alpek Polyester Pernambuco and Alpek Polyester Brasil, for which the Company holds an account receivable, included in other non-current assets, for \$355 (US\$20), \$616, (US\$30), and \$684 (US\$40) as of December 31, 2025, 2024 and 2023, respectively.

Additionally, during the years ended December 31, 2025 and 2024, the Company made partial payments related to the contingent consideration for the payment of future benefits (earn-out) related to the acquisition of Octal for \$72 (US\$3.6) and \$201 (US\$11.6), respectively. As of December 31, 2025, the contingent consideration had been fully paid.

19. Employee benefits

The valuation of retirement plan employee benefits includes formal plans and constructive obligations that covers all employees and is based primarily on their years of service, current age, and estimated salary at retirement date.

The subsidiaries of the Company have established irrevocable trust funds for payment of pensions and seniority premiums and health-care expenses.



Below is a summary of the main financial data of such employee benefits:

	As of December 31,		
	2025	2024	2023
Employee benefit obligations:			
Pension benefits	\$ 217	\$ 333	\$ 439
Post-employment medical benefits	23	58	61
	<u>240</u>	<u>391</u>	<u>500</u>
Defined contribution plans	592	463	380
Employee benefits in the consolidated statement of financial position	<u>\$ 832</u>	<u>\$ 854</u>	<u>\$ 880</u>
Charge to the consolidated statement of income for:			
Pension benefits	\$ 105	\$ 6	\$ (271)
Post-employment medical benefits	(2)	(2)	(4)
	<u>\$ 103</u>	<u>\$ 4</u>	<u>\$ (275)</u>
Remeasurements of employee benefit obligations recognized in other comprehensive income of the year	\$ 62	\$ 129	\$ (5)
Remeasurements of accrued employee benefit obligations recognized in other comprehensive income	<u>\$ 476</u>	<u>\$ 414</u>	<u>\$ 285</u>

Pension and post-employment medical benefits

The Company operates defined benefit pension plans based on employees' pensionable remuneration and length of service. Most plans are externally funded. Plan assets are held in trusts, foundations or similar entities, governed by local regulations and practice in each country, as is the nature of the relationship between the Company and the respective trustees (or equivalent) and their composition. The Company operates post-employment medical benefit schemes mainly in its subsidiary Alpek Polyester USA. The method of accounting, assumptions and the frequency of valuations are similar to those used for defined benefit pension schemes. Most of these plans are not being funded.

Amounts recognized in the consolidated statement of financial position are determined as follows:

	As of December 31,		
	2025	2024	2023
Present value of defined benefit obligations	\$ 2,060	\$ 2,234	\$ 2,535
Fair value of plan assets	(1,820)	(1,843)	(2,035)
Liability in the statement of financial position	<u>\$ 240</u>	<u>\$ 391</u>	<u>\$ 500</u>

The movements of defined benefit obligations are as follows:

	2025	2024	2023
As of January 1,	\$ 2,234	\$ 2,535	\$ 3,107
Service cost	(15)	8	44
Interest cost	115	129	147
Contributions from plan participants	5	36	3
Remeasurements:			
(Gains) losses from changes in financial assumptions	(61)	(78)	78
Losses (gains) from changes in demographic assumptions and experience adjustments	-	-	-
Liability acquired in business combination	53	-	-
Translation effect	(88)	434	(323)
Benefits paid	(210)	(823)	(501)
Plan curtailments	27	(7)	(20)
As of December 31,	<u>\$ 2,060</u>	<u>\$ 2,234</u>	<u>\$ 2,535</u>



The movement in the fair value of plan assets for the year is as follows:

	2025	2024	2023
As of January 1	\$ (1,843)	\$ (2,035)	\$ (2,431)
Interest income	(176)	(97)	(104)
Remeasurements – return on plan assets, excluding interest income	(1)	(51)	(83)
Translation effect	162	(340)	257
Contributions	(53)	(22)	(6)
Asset acquired in business combination	(82)		
Benefits paid	173	702	332
As of December 31	<u>\$ (1,820)</u>	<u>\$ (1,843)</u>	<u>\$ (2,035)</u>

The amounts recorded in the consolidated statement of income for the years ended December 31 are the following:

	2025	2024	2023
Service cost	\$ 15	\$ (8)	\$ (43)
Interest cost, net	61	6	(251)
Effect of plan curtailments and/or settlements	27	6	19
Total included in personnel cost	<u>\$ 103</u>	<u>\$ 4</u>	<u>\$ (275)</u>

The principal actuarial assumptions are as follows:

	As of December 31,		
	2025	2024	2023
Discount rate Mexico	9.50%	10.50%	9.75%
Discount rate United States	5.21%	5.41%	4.83%
Inflation rate Mexico	3.75%	3.75%	3.50%
Wage increase rate Mexico	9.50%	6.00%	5.50%
Medical inflation rate Mexico	7.00%	7.00%	7.00%

The sensitivity analysis of the discount rate for defined benefit obligations is as follows:

	Effect in defined benefit obligations		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	MX 1%	Decrease by \$28	Increase by \$32

Sensitivity analyses are based on a change in assumptions, while all the other assumptions remain constant. In practice, this is slightly probable, and the changes in some assumptions may be correlated. In calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of calculated defined benefit obligation with the projected unit credit method at reporting period) has been applied as in the calculation of liabilities for pensions recognized within the consolidated statement of financial position.

Defined benefit plan assets

Plan assets are comprised as follows:

	As of December 31,		
	2025	2024	2023
Equity instruments	\$1,443	\$1,488	\$1,590
Fixed income	377	355	445
Fair value of plan assets	<u>\$1,820</u>	<u>\$1,843</u>	<u>\$2,035</u>



20. Income taxes

The Company is subject to income tax, whose rate is 30% in México. The statutory income tax rates applicable to the main foreign subsidiaries were as follows:

	2025	2024	2023
United States	21%	21%	21%
Brazil	34%	34%	34%
Argentina	35%	35%	35%
Chile	27%	27%	27%
Canada	26.5%	26.5%	26.5%
Spain	25%	25%	25%
United Kingdom	25%	25%	25%
Oman ⁽¹⁾	15%	15%	15%

(1) Octal's production facility (Octal SAOC FZC) is registered in the Salalah Free Zone; therefore, it is exempt from corporate tax until 2024. Starting in 2025, Oman is amending its tax legislation through Royal Decree No. 70/2024 to align with the Pillar Two model rules published by OECD.

In 2023, the Company adopted the amendments to IAS 12, Income Taxes, applicable to income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organization for Economic Co-operation and Development (OECD), including tax laws implementing qualified domestic minimum taxes described in those rules.

The Company continues to apply the temporary exception to the deferred tax accounting requirements in IAS 12, and therefore does not recognize or disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

As of December 31, 2025, the Company has significant effects related to income taxes under the Pillar Two model in those jurisdictions in which the holding entities participate with subsidiaries where the legislation is already in force, as the calculations performed in accordance with the OECD-issued Pillar Two model rules resulted in significant tax impacts, which were recognized as a provision during the year. Likewise, in those jurisdictions where the applicable legislation has not yet become effective, no significant effects related to such legislation have been incurred; however, the Company will continue to assess the impact of the Pillar Two income tax model on its future financial performance.

a. Income taxes recognized in the consolidated statement of income are as follows:

	2025	2024	2023
Current income tax	\$(1,146)	\$(1,237)	\$(2,358)
Deferred income taxes	(734)	1,819	1,631
Income taxes expenses	<u>\$(1,880)</u>	<u>\$ 582</u>	<u>\$ (727)</u>

b. The reconciliation between the statutory and effective income tax rates is as follows:

	2025	2024	2023
Loss before income taxes	\$ (336)	\$ (794)	\$(9,306)
Income tax rate	30%	30%	30%
Statutory income tax rate expense	101	238	2,792
(Less) add income tax effect on:			
Annual adjustment for inflation	(640)	(240)	(253)
Non-deductible expenses	(529)	(74)	(2,941)
Non-taxable income	46	159	164
Effect of different tax rates of other countries other than Mexico	(201)	(261)	(128)
True up with respect to prior years' current income tax	25	71	88
Translation effect from the functional currency	(681)	676	(388)
Investments in associates and joint ventures	(1)	13	(61)
Total income taxes	<u>\$(1,880)</u>	<u>\$ 582</u>	<u>\$ (727)</u>
Effective tax rate	(560%)	(73%)	(8%)



- c. The breakdown of the deferred tax asset and deferred tax liability is as follows:

	Asset (liability)		
	December 31,		
	2025	2024	2023
Property, plant and equipment	\$(1,984)	\$(1,983)	\$ (708)
Intangible assets	(245)	(224)	(128)
Debt issuance costs	-	(5)	(1)
Provisions	709	371	237
Derivative financial instruments	(29)	237	2
Tax loss carryforwards	2,284	1,906	413
Non-deductible interests	511	1,874	-
Tax credits, impairment allowance and other	1,082	2,265	1,604
Effect of tax rates of other countries and changes in tax rates	(339)	(301)	(85)
Deferred tax asset	<u>\$ 1,989</u>	<u>\$ 4,140</u>	<u>\$ 1,334</u>
Inventories	\$ (96)	\$ (94)	\$ 40
Property, plant and equipment, net	(2,635)	(3,721)	(3,557)
Intangible assets	(164)	(233)	(148)
Tax loss carryforwards	513	336	693
Non-deductible interest, provision allowance and others	386	557	808
Effect of tax rates of other countries and changes in tax rates	63	80	140
Deferred tax liability	<u><u>\$ (1,933)</u></u>	<u><u>\$ (3,075)</u></u>	<u><u>\$ (2,024)</u></u>

Deferred income tax assets are recognized on tax loss carryforwards to the extent the realization of the related tax benefit through future tax income is probable. Tax losses amount to \$30,903, \$28,886 and \$24,034 in 2025, 2024 and 2023, respectively.

Tax losses as of December 31, 2025 expire in the following years:

Loss for the year incurred	Tax-loss carryforwards	Expiration year
2016	\$ 153	2026
2017	15	2027
2018	14	2028
2019	30	2029
2020	39	2030
2021	106	2031
2022	47	2032
2023	45	2033
2024	999	2034
2025	3,753	2035
2026	4,112	2036 and thereafter
Other	21,590	No maturity
	<u><u>\$ 30,903</u></u>	

As of December 31, 2025, the Company holds tax losses to be amortized in Brazil, through Suape and Citepe, for an amount of \$21,581, which have no expiration date. The Company has decided to reserve the total amount of the tax losses, according to management's estimate of future reversals of temporary differences; thus, as of December 31, 2025, they do not generate deferred tax assets.



d. Income tax related to other comprehensive income is as follows:

	2025			2024			2023		
	Before taxes	Tax charged	After taxes	Before taxes	Tax charged	After taxes	Before taxes	Tax charged	After taxes
Equity in other comprehensive income of associates and joint ventures recognized through the equity method	\$ (1)	\$ -	\$ (1)	\$ 1	\$ -	\$ 1	\$ (1)	\$ -	\$ (1)
Foreign currency translation effect	(2,328)	-	(2,328)	4,345	-	4,345	(5,923)	-	(5,923)
Remeasurement of employee benefit obligations	64	(14)	50	129	(31)	98	5	-	5
Effect of derivative financial instruments designated as cash flow hedges	648	(149)	499	(596)	144	(452)	1,056	(291)	765
Other comprehensive income	<u>\$(1,617)</u>	<u>\$ (163)</u>	<u>\$(1,780)</u>	<u>\$ 3,879</u>	<u>\$ 113</u>	<u>\$ 3,992</u>	<u>\$(4,863)</u>	<u>(291)</u>	<u>(5,154)</u>

e. Income tax payable consists of the following:

	As of December 31,		
	2025	2024	2023
Current portion ⁽¹⁾	\$ 238	\$ 433	\$ 390

21. Other non-current liabilities

	As of December 31,		
	2025	2024	2023
Advances from customers ⁽¹⁾	\$ -	\$ -	\$ 62
Other ⁽²⁾	123	151	431
Total other non-current liabilities	<u>\$123</u>	<u>\$151</u>	<u>\$493</u>

(1) As of December 31, 2023, this item corresponds to revenues charged in advance and relates to the future delivery of goods.

(2) As of December 31, 2023, is mainly related to the amount pending of payment for the acquisition of Octal (see Note 2g).

22. Stockholders' equity

As of December 31, 2025, capital stock is variable, with a fixed minimum of \$5,955,706,376.05 represented by 2,084,502,837 outstanding, ordinary, nominative shares, "Class I" Series "A", with no par value, fully subscribed and paid in. The variable capital entitled to withdrawal will be represented, if issued, by registered "Class II" Series "A" shares without par value.

From February to November 2025, the Company purchased 13,927,329 shares in the amount of \$152 and sold 7,806,555 shares in the amount of \$75 with a repurchase program that was approved by the Company's stockholders and exercised discretionally by Management.

At the Extraordinary Shareholders' Meeting held on November 25, 2025, the Shareholders approved the cancellation of 33,660,798 shares of the Company, consisting of: (i) 17,573,509 treasury shares held by the Company, and (ii) 16,087,289 fractional or residual shares resulting from the application of the exchange ratio.



On September 9, 2024, the Company's Board of Director, through powers delegated at the Ordinary General Meeting of stockholders held on March 6, 2024, approved the payment of a cash dividend per share of US\$0.0625, equivalent to the aggregate amount of \$2,634 (US\$132), approximately, which were paid on September 19, 2024.

On March 7, 2023, the Company held an Ordinary General Meeting of stockholders, at which the payment of a cash dividend per share of US\$0.0755, equivalent to approximately \$2,866 (US\$159), was approved in a single instalment, which was paid in a single instalment on March 16, 2023.

The net income of the year is subject to decisions made by the General Stockholders' Meeting, the Company's by-laws and the General Law of Mercantile Corporations. In accordance with the General Law of Mercantile Corporations, the legal reserve should be increased annually by 5% of the net annual income until it reaches 20% of the fully paid in capital stock. As of December 31, 2025, 2024 and 2023, the legal reserve amounts to \$1,210.

On October 31, 2022, the Company's Board of Director, through the powers delegated at the Ordinary General Meeting of stockholders held on March 3, 2022, approved the payment of a cash dividend per share of US\$0.093, equivalent to the aggregate amount of \$3,887 (US\$196), approximately, which were paid on November 9, 2022.

The Income Tax Law establishes a tax rate of 10% to the dividends paid to foreign residents and Mexican individuals derived from the profits generated since 2014, also provides that for the years 2001-2013, the net taxable profit will be determined in terms of the Income Tax Law in force in the fiscal year concerned.

Dividends paid are not subject to income tax if they derived from the Net Tax Profit Account ("CUFIN"), for its acronym in Spanish). Any dividends paid in excess of this account will cause an income tax charge based on the tax rate valid in the period in which they are paid. This tax is payable by the Company and may be credited against its income tax in the same year or the following two years. Dividends paid from profits which have previously paid income tax are not subject to tax withholding or to any additional tax payment. As of December 31, 2025, the value of the Capital Contribution Account ("CUCA"), for its acronym in Spanish) amounted to \$7,494. The tax value of the CUFIN amounted to \$16,856.

23. Shared-based payments

Alpek has a stock-based compensation scheme referred to at 100% of the value of the shares of Alpek SAB for directors of the Company and its subsidiaries. In accordance with the terms of the plan, the eligible directors will obtain a cash payment contingent upon achieving both quantitative and qualitative metrics derived from the following financial measures:

- Improved share price
- Permanence of the executives in the Company

The program consists in determining a number of shares which the executives will have a right to, that will be paid in cash over the next five years; i.e., 20% every year and will be paid with reference at the average price of the shares during the year. These payments are measured at the fair value of the consideration, therefore, because they are based on the price of Alpek shares, the measurement is considered to be within level 1 of the fair value hierarchy.

The average price of the shares in pesos considered for the measurement of the executive incentive is:

	2025	2024	2023
Sigma Foods, S. A. B. de C. V. ⁽¹⁾	-	16.83	15.68
Alpek, S. A. B. de C. V.	9.41	13.54	12.89

(1) Until March, Sigma Foods, S.A.B. de C.V. served as Controladora Alpek', and the share-based compensation was referenced 50% to the value of its shares. However, as of that date, as a result of the spin-off process (see Note 2 c), Sigma Foods became an affiliate and ceased to be considered in the calculation



The short-term and long-term liabilities are comprised as follows:

	As of December 31,		
	2025	2024	2023
Short term	\$ 15	\$ 17	\$ 9
Long term	34	48	27
Total carrying amount	<u>\$ 49</u>	<u>\$ 65</u>	<u>\$ 36</u>

24. Expenses classified by their nature

The total cost of sales and selling and administrative expenses, classified by the nature of the expense, for the years ended December 31, are comprised as follows:

	2025	2024	2023
Raw material and other	\$ (91,596)	\$(100,070)	\$(101,752)
Freight expenses	(7,535)	(7,519)	(8,487)
Employee benefit expenses (Note 27)	(7,154)	(6,996)	(6,976)
Depreciation and amortization	(5,157)	(4,767)	(4,619)
Consumption of energy and fuel (gas, electricity, etc.)	(4,660)	(3,913)	(4,400)
Maintenance	(2,590)	(2,303)	(2,514)
Technical assistance, professional fees and administrative services	(1,962)	(1,584)	(1,727)
Lease expenses	(681)	(704)	(583)
Travel expenses	(157)	(161)	(180)
Human resources	(126)	(146)	(193)
Advertising expenses	(7)	(5)	(12)
Other (insurance and bonds, water, containers and packing, etc.)	(2,738)	(3,562)	(2,270)
Total	<u>\$(124,363)</u>	<u>\$(131,730)</u>	<u>\$(133,713)</u>

25. Other income (expenses), net

Other income (expense) for the years ended December 31, are comprised as follows:

	2025	2024	2023
Gain on business combination ⁽²⁾	\$ -	\$ 47	\$ -
Gain on sale of business	101	-	-
Other income, net ⁽⁴⁾	368	1,235	195
Impairment long-lived assets ⁽¹⁾⁽³⁾⁽⁵⁾	(924)	(1,791)	(11,078)
Total	<u>\$ (455)</u>	<u>\$ (509)</u>	<u>\$ (10,883)</u>

- (1) For the year ended December 31, 2023, it primarily includes impairment expense on investment in CCP's joint venture, and long-lived assets from the closure of the filament plant and the closure of the PET resin production operation at the Cooper River site.
- (2) For the year ended December 31, 2024, primarily corresponds to the gain on the acquisition of Clear Path Recycling, LLC and Agua Industrial del Poniente, S.A. de C.V.
- (3) For the year ended December 31, 2024, primarily includes impairment expense on the investment in Clear Path Recycling, LLC's joint venture business of \$65, based on IFRS 3 requirements for a staged business combination, supplemented by impairment expense related to the suspension of EPS operations in Beaver Valley of \$1,191, as well as the impairment expense of the investment in the joint venture of CCP of \$251, and an impairment expense related to the fixed assets of Selenis of \$283.
- (4) For the year ended December 31, 2024, it primarily includes collateral-related income of \$447, Brazil tax incentives and tax recovery of \$412, and insurance recovery of \$258.
- (5) For the year ended December 31, 2025, primarily includes impairment expense on the investment in Clear Path Recycling, LLC's joint venture business of \$138, supplemented by impairment expense related to the suspension of EPS operations in North Carolina of \$376, as well as the impairment expense of the investment in the joint venture of CCP of \$221,



26. Finance income and costs

Financial result, net for the years ended December 31, are comprised as follows:

	2025	2024	2023
Financial income:			
Interest income on short-term bank deposits	\$ 148	\$ 332	\$ 724
Interest income on loans from related parties	122	60	25
Other financial income	408	477	568
Total financial income	<u>678</u>	<u>869</u>	<u>1,317</u>
Financial expenses:			
Interest expense on bank loans	(852)	(1,126)	(1,009)
Non-bank interest expense	(1,223)	(865)	(1,116)
Lease interest expense	(262)	(259)	(231)
Interest cost on employee benefits, net	(70)	(79)	(46)
Other financial expenses	(1,376)	(2,120)	(1,580)
Total financial expense	<u>(3,783)</u>	<u>(4,449)</u>	<u>(3,982)</u>
Loss in exchange fluctuation, net			
Foreign exchange gain	12,253	15,682	23,168
Foreign exchange loss	(11,510)	(18,022)	(23,171)
Loss in exchange fluctuation, net	<u>743</u>	<u>(2,340)</u>	<u>(3)</u>
Financial result, net	<u><u>\$(2,362)</u></u>	<u><u>\$(5,920)</u></u>	<u><u>\$(2,668)</u></u>

27. Employee benefit expenses

Employee benefits expenses for the years ended December 31, are as follows:

	2025	2024	2023
Salaries, wages and benefits	\$(5,459)	\$(5,702)	\$(5,566)
Social security fees	(528)	(554)	(604)
Employee benefits	(102)	(43)	(73)
Other fees	(1,065)	(697)	(733)
Total	<u><u>\$(7,154)</u></u>	<u><u>\$(6,996)</u></u>	<u><u>\$(6,976)</u></u>

Labor Reform Related to Vacations

On December 27, 2022, a decree was published by means of which articles 76 and 78 of the Federal Labor Law (“LFT” for its acronym in Spanish) for México were reformed, which will be effective on January 1, 2023. The main change resulting from this labor reform considers the increase in the minimum annual vacation period for workers with more than one year of service.

The Company evaluated the accounting impacts generated by this labor reform and determined that the increases in the vacation and vacation premium provision, as a result of the increase in vacation days, were not significant as of December 31, 2025, 2024 and 2023.



28. Related party transactions

Transactions with related parties during the years ended December 31, 2025, 2024 and 2023 were as follows:

	2025	2024	2023
Income			
Income from sale of goods:			
Stockholders with significant influence over subsidiaries	\$ 1,208	\$ 1,534	\$ 1,522
Income from services:			
Affiliates	-	1	12
Stockholders with significant influence over subsidiaries	61	197	171
Income from financial interest:			
Sigma Foods	-	28	23
Affiliates	-	-	3
Associates	-	4	-
Income from leases:			
Stockholders with significant influence over subsidiaries	21	40	34
Income from sale of energetic:			
Affiliates	75	87	95
Stockholders with significant influence over subsidiaries	-	18	34
Other income:			
Affiliates	24	22	1
Stockholders with significant influence over subsidiaries	61	18	2
Costs / expenses			
Purchase of finished goods and raw materials:			
Stockholders with significant influence over subsidiaries	(474)	(518)	(647)
Expenses from services:			
Sigma Foods	(365)	(259)	(348)
Affiliates	(94)	(125)	(146)
Stockholders with significant influence over subsidiaries	(11)	(12)	(13)
Other expenses:			
Affiliates	(32)	(31)	(49)
Associates and joint ventures	(60)	(94)	(71)
Stockholders with significant influence over subsidiaries	(5)	(9)	1
Dividends paid to Sigma Foods	-	(2,094)	(2,447)
Dividends of subsidiaries to shareholders with significant influence	(668)	(1,219)	(1,474)

For the year ended December 31, 2025, 2024 and 2023, the remunerations and benefits received by the top officers of the Company amounted to \$473, \$351 and \$410, respectively, comprising of base salary and social security benefits, and supplemented by a variable consideration program based on the Company's results and the market value of the shares thereof and of its holding company.



As of December 31, balances with related parties are as follows:

	Nature of the transaction	As of December 31,		
		2025	2024	2023
<u>Short-term accounts receivable:</u>				
Holding company				
Sigma Foods, S. A. B. de C. V. ⁽²⁾	Administrative services	\$ -	\$ 29	\$ 87
Affiliates				
Innovación y Desarrollo de Energía				
Alfa Sustentable, S. A. de C. V.	Administrative services	-	-	115
Newpek, LLC	Administrative services	2	2	-
Terza, S. A. de C. V.	Sale of goods	-	1	-
Sigma Alimentos Lácteos, S.A. de C.V.	Energetics	3	3	3
Sigma Alimentos Centro, S.A. de C.V.	Energetics	-	5	4
Sigma Alimentos Noreste, S.A. de C.V.	Energetics	1	-	-
Alimentos Finos Occidente, S.A. de C.V.	Energetics	-	1	1
Carnes el Tangamanga S.A. de C.V.	Energetics	-	-	1
Associates				
Clear Path Recycling, LLC	Financing and interest	-	-	63
Stockholders with significant influence on subsidiaries				
BASF	Sale of goods	118	120	120
Basell	Energetics	17	21	60
		<u>\$ 141</u>	<u>\$ 182</u>	<u>\$ 454</u>
<u>Long-term accounts receivable:</u>				
Holding company				
Sigma Foods, S. A. B. de C. V. ⁽¹⁾⁽²⁾	Financing and interest	\$ -	\$ 1,178	\$ 763
		<u>\$ -</u>	<u>\$ 1,178</u>	<u>\$ 763</u>
<u>Short-term accounts payable:</u>				
Holding Company				
Sigma Foods, S. A. B. de C. V. ⁽²⁾	Administrative services	\$ -	\$ 52	\$ 37
Affiliates				
Alliax, S. A. de C. V.	Administrative services	2	4	5
Axtel, S.A.B. de C.V.	Administrative services	1	3	4
Newpek, S. A. de C. V.	Administrative services	-	-	-
Servicios Empresariales del Norte, S. A. de C. V.	Administrative services	3	5	2
Sigma Foods, S. A. B. de C. V. ⁽²⁾	Administrative services	120		
Associates				
Tepeal	Administrative services	\$ -	2	6
Stockholders with significant influence over subsidiaries				
BASF	Purchase of raw materials	39	102	87
Basell	Energetics	14	-	12
Shaw Industries	Purchase of raw materials	29	-	-
		<u>\$ 208</u>	<u>\$ 168</u>	<u>\$ 153</u>

(1) As of December 31, 2024 and 2023, the loans granted bore interest at average fixed interest rate of 12.47%, and 5.34%, respectively.

(2) Until March 27, 2025, Sigma Foods, S.A.B. de C.V. was the parent company of Alpek; however, as of that date, as a result of the spin-off process (see Note 2c), it became an affiliate

29. Segment reporting

Segment reporting is presented consistently with the financial information provided to the Chief Executive Officer, who is the highest authority in operational decision making, allocation of resources and performance assessment of operating segments.

An operating segment is defined as a component of an entity on which separate financial information is regularly evaluated.



Management controls and assesses its operations through two business segments: the Polyester business and the Plastics and Chemicals business. These segments are managed separately since its products vary and targeted markets are different. Their activities are performed through various subsidiaries.

The operations between operating segments are performed at market value and the accounting policies with which the financial information by segments is prepared, are consistent with those described in Note 3.

The Company has defined Adjusted EBITDA as the calculation of adding operating income, depreciation, amortization, and impairment of long-lived assets.

The Company evaluates the performance of each of the operating segments based on Adjusted EBITDA, considering that this indicator is a good metric to evaluate operating performance and the ability to meet principal and interest obligations with respect to indebtedness, and the ability to fund capital expenditures and working capital requirements. Nevertheless, Adjusted EBITDA is not a measure of financial performance under IFRS and should not be considered as an alternative to net income as a measure of operating performance or cash flows as a measure of liquidity.

Following is the condensed financial information of the Company's operating segments:

For the year ended December 31, 2025:

	Polyester	Plastics and Chemicals	Other	Total
Statement of income:				
Income by segment	\$ 90,621	\$ 25,379	\$10,840	\$126,840
Inter-segment income	(135)	-	135	-
Income from external customers	<u>\$ 90,486</u>	<u>25,379</u>	<u>\$10,975</u>	<u>\$126,840</u>
Operating income	\$ (896)	\$ 2,705	\$ 213	\$ 2,022
Depreciation and amortization	4,175	952	31	5,158
Impairment of long-lived assets	923	1	-	924
Adjusted EBITDA	<u>\$ 4,202</u>	<u>\$ 3,658</u>	<u>\$ 244</u>	<u>\$ 8,104</u>
Investments in fixed and intangible assets	<u>\$ 2,061</u>	<u>\$ 323</u>	<u>\$ 23</u>	<u>\$ 2,407</u>

For the year ended December 31, 2024:

	Polyester	Plastics and Chemicals	Other	Total
Statement of income:				
Income by segment	\$100,013	\$ 29,501	\$ 7,895	\$ 137,409
Inter-segment income	(76)	-	76	-
Income from external customers	<u>\$ 99,937</u>	<u>\$ 29,501</u>	<u>\$ 7,971</u>	<u>\$ 137,409</u>
Operating (loss) income	\$ 3,312	\$ 1,636	\$ 222	\$ 5,170
Depreciation and amortization	3,796	956	15	4,767
Impairment of long-lived assets	599	1,192	-	1,791
Adjusted EBITDA	<u>\$ 7,707</u>	<u>\$ 3,784</u>	<u>\$ 237</u>	<u>\$ 11,728</u>
Investments in fixed and intangible assets	<u>\$ 1,512</u>	<u>\$ 447</u>	<u>\$ 14</u>	<u>\$ 1,973</u>



For the year ended December 31, 2023:

	Polyester	Plastics and Chemicals	Other	Total
Statement of income:				
Income by segment	\$ 102,230	\$ 27,729	\$8,200	\$ 138,159
Inter-segment income	<u>(77)</u>	<u>(20)</u>	<u>97</u>	<u>-</u>
Income from external customers	<u>\$ 102,153</u>	<u>\$ 27,709</u>	<u>\$8,297</u>	<u>\$ 138,159</u>
Operating income	\$ (9,740)	\$ 3,220	\$ 83	\$ (6,437)
Depreciation and amortization	3,725	886	8	4,619
Impairment of long-lived assets	<u>11,077</u>	<u>1</u>	<u>-</u>	<u>11,078</u>
Adjusted EBITDA	<u>\$ 5,062</u>	<u>\$ 4,107</u>	<u>\$ 91</u>	<u>\$ 9,260</u>
Investments in fixed and intangible assets	<u>\$ 2,149</u>	<u>\$ 376</u>	<u>\$ 3</u>	<u>\$ 2,528</u>

The reconciliation between adjusted EBITDA and income before taxes for the years ended December 31, is as follows:

	2025	2024	2023
Adjusted EBITDA	\$ 8,104	\$11,728	\$ 9,260
Depreciation and amortization	(5,158)	(4,767)	(4,619)
Impairment of long-lived assets	<u>(924)</u>	<u>(1,791)</u>	<u>(11,078)</u>
Operating income (loss)	2,022	5,170	(6,437)
Financial result, net	(2,362)	(5,920)	(2,668)
Equity in loss of associates and joint ventures	<u>4</u>	<u>(44)</u>	<u>(201)</u>
(Loss) income before income taxes	<u>\$ (336)</u>	<u>\$ (794)</u>	<u>\$ (9,306)</u>

The Company's main customer generated revenues amounting to \$10,297, \$7,704, and \$10,009, for the years ended December 31, 2025, 2024 and 2023. These revenues are resulted from the polyester reporting segment and represent 8.1%, 5.6%, and 7.2% of the consolidated revenues with external costumers for the years ended December 31, 2025, 2024 and 2023.

Following is a summary of revenues per country of origin for the years ended December 31:

	2025	2024	2023
México	\$ 51,787	\$ 52,948	\$ 52,443
United States	37,614	41,361	44,991
Argentina	3,258	5,502	4,894
Brazil	14,036	15,863	13,681
Chile	1,466	886	941
Canada	865	1,781	2,317
United Kingdom	2,827	3,503	3,393
Oman	13,765	15,111	15,098
Saudi Arabia	<u>1,222</u>	<u>454</u>	<u>401</u>
Total revenues	<u>\$126,840</u>	<u>\$137,409</u>	<u>\$138,159</u>

The following table shows the intangible assets and property, plant and equipment by country:

	As of December 31,		
	2025	2024	2023
México	\$ 932	\$ 1,157	\$ 1,083
United States	844	1,093	1,028
Canada	1	2	3
Brazil	154	168	194
Oman	<u>963</u>	<u>1,255</u>	<u>1,186</u>
Total intangible assets	<u>\$ 2,894</u>	<u>\$ 3,675</u>	<u>\$ 3,494</u>



	As of December 31,		
	2025	2024	2023
México	\$18,846	\$20,752	\$17,831
United States	7,371	8,973	7,684
Canada	236	295	497
Argentina	360	674	281
Chile	262	280	237
Brazil	4,328	4,279	4,699
United Kingdom	653	722	624
Oman	8,541	10,030	8,830
Saudi Arabia	279	312	269
Total property, plant and equipment	<u>\$40,876</u>	<u>\$46,317</u>	<u>\$40,952</u>

30. Commitments and contingencies

As of December 31, 2025, the Company has the following commitments:

- a. As of December 31, 2025, 2024 and 2023, the Company's subsidiaries had entered into various agreements with suppliers and customers for purchases of raw materials used for production and the sale of finished goods, respectively. These agreements are effective between one and five years and generally contain price adjustment clauses.
- b. A subsidiary of the Company entered into agreements to cover the supply of propylene, which establish the obligation to purchase the product at a priced referenced to market values for a specific period.

As of December 31, 2025, the Company has the following contingencies:

- a. During the normal course of the business, the Company is involved in disputes and litigations. While the results of these may not be predicted, the Company does not believe that there are actions pending to apply, claims or legal proceedings against or affecting the Company which, if it were to result in an adverse resolution to the Company, would negatively impact the results of its operations or its financial position.
- b. Some of the Company's subsidiaries use hazardous materials to manufacture polyester filaments, polyethylene terephthalate (PET) and terephthalic acid (PTA) resin, polypropylene (PP) resin, expandable polystyrene (EPS), chemical specialties and they generate and dispose of waste, such as catalysts and glycols. These and other activities of the subsidiaries are subject to various federal, state and local laws and regulations governing the generation, handling, storage, treatment and disposal of hazardous substances and wastes. According to such laws, the owner or lessor of real estate property may be liable for, among other things, (i) the costs of removal or remediation of certain hazardous or toxic substances located on, in, or emanating from, such property, as well as the related cost of investigation and property damage and substantial penalties for violations of such law, and (ii) environmental contamination of facilities where its waste is or has been disposed of. Such laws impose such liability without regard to whether the owner or lessee knew of, or was responsible for, the presence of such hazardous or toxic substances.

Although the subsidiaries estimate that there are no existing material liabilities relating to noncompliance with environmental laws and regulations, there can be no assurance that there are no undiscovered potential liabilities related to historic or current operations that will require investigation and/or remediation under environmental laws, or that future uses or conditions will not result in the imposition of an environmental liability or expose them to third-party or related parties actions, such as tort suits. Furthermore, there can be no assurance that changes in environmental regulations in the future will not require the subsidiaries to make significant capital expenditures to change methods of disposal of hazardous materials or otherwise alter aspects of their operations.



- c. As of December 31, 2025, the Company is in a process of fiscal litigation in one of its subsidiaries in Brazil, in relation to the demand for payment of the Tax on the Circulation of Goods and Services ("ICMS") that the Ministry of Finance of the State of Sao Paulo ("SFSP", for its initials in Portuguese) has raised against the Company, due to differences in the criteria for the calculation and crediting of such tax. Considering all the circumstances and precedents of jurisprudence available at that date, management and its advisors have determined that it is probable that the Superior Court of Justice of Brazil will issue a judgment in favor of the Company for the amount related to differences in the calculation, which would exempt it from paying \$515 in taxes, fines and interest that the SFSP demands; therefore, as of December 31, 2025, the Company has not recognized any provision related to this concept.

On the other hand, for the concept of ICMS crediting, the demanded amount is \$103, and management and its advisors consider that it is not probable that the authorities will issue an unfavorable resolution for the Company; thus, it has not recognized any provision related to this concept as of December 31, 2025.

- d. Anti-Dumping of PET Resin

In March 2015, in response to petitions made by PET resin manufacturers in the United States of America ("USA"), the International Trade Commission ("ITC") and the Department of Commerce of The United States ("USDOC") initiated an Anti-Dumping investigation on imports of PET resin from China, India, Oman and Canada, resulting in the imposition of an antidumping duty. The duty has been reviewed annually during the month of May at the request of either Octal or the USA manufacturers, the rate has fluctuated based on the annual reviews. Currently, the antidumping duty applied is 0.00% following the Department of Commerce's seventh review and determination. During the first semester of 2026, the final results of the eighth review and determination by the Department of Commerce are expected. Based on those results, the applicable countervailing duty will be adjusted.

31. Subsequent significant events

In preparing the consolidated financial statements, the Company evaluated events and transactions for recognition or disclosure subsequent to December 31, 2025 and through January 31, 2026 (the issuance date of the consolidated financial statements), and no significant subsequent events were identified, with the exception of the following: As part of its initiatives to reduce costs and improve competitiveness, the Company plans to suspend operations at its recycling plant in Reading, Pennsylvania, in the second quarter of 2026, shifting part of the capacity to its integrated complex in Richmond, Indiana.

32. Authorization to issue the consolidated financial statements

On January 31, 2026, the issuance of the accompanying consolidated financial statements was authorized by Jorge Pedro Young Cerecedo, General Director and José Carlos Pons de la Garza, Administration and Finance Director.

These consolidated financial statements are subject to the approval of the Company's ordinary shareholders' meeting.

