

CORPORATE SPEAKERS

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Leonardo Marcondes, *Bank of America*

Nicolas Barros, *JP Morgan*

Tasso Vasconcellos, *UBS*

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Alejandra Andrade, *JP Morgan*

Vanessa Quiroga, *Eternal Capital*

Regina Carrillo, *GBM*

Juan Diego Siller

Hello everyone! We appreciate your participation in today's webcast and your continued interest in Alpek as we present our Third Quarter Results. I'm Juan Diego Siller, the recently appointed Investor Relations Officer. Here with me today are Jorge Young, our CEO, and Rodrigo Prieto, our CFO.

Before we begin, please note today's discussion will include forward-looking statements based on current expectations and assumptions, subject to certain risks and uncertainties. Actual results may differ materially. Alpek undertakes no obligation to update these statements. We express our financial results in U.S. dollars unless otherwise specified.

For your convenience, this Webcast is being recorded and will be available in the Investors section of our website.

Regarding today's agenda:

- Jorge will begin with the Quarterly Overview,
- Second, Rodrigo will discuss our financial performance in greater detail,
- Afterwards, Jorge will delve into our revised Guidance figures and expectations for the remainder of the year, and finally, we will move on to Q&A. Jorge, I'll turn the call over to you.

Jorge Young

Good morning, everyone, thank you for joining us.

During the third quarter, our teams once again delivered strong execution, responding quickly to evolving customer needs and maintaining high operating rates. Our focus on operational efficiency, commercial agility and supply chain flexibility enabled us to adapt to market conditions, resulting in

another exceptional quarter. As a result, we outperformed our Comparable EBITDA expectations for the quarter.

Building on our year-to-date performance and updated outlook for the last quarter of 2026, we are again raising our full-year Guidance, which I will discuss in more detail later in the call. Our leverage ratio improved to 1.8 times, primarily reflecting higher last twelve months' EBITDA.

Our local-for-local production strategy and constant pursuit to strengthen our competitive position continue to be fundamental pillars for Alpek's success. Our global footprint and regional approach to key markets, including the United States, Mexico and Brazil, among others, have enabled us to provide reliable, long-term supply and service to our customers as the domestic supplier of choice.

This has been particularly important amid continued global trade disruptions and raw material shortages, mainly in Asia. As the conflict in the Middle East extends, PET resin in Asia is facing reduced availability of key feedstocks and lower operating rates, supporting reference margins above our original expectations. In parallel, elevated ocean freight rates have made imports less competitive, further benefiting regional suppliers like Alpek. These dynamics reinforce the importance of the actions we have taken over the last several years to make our company more competitive and resilient.

Our performance reflects the progress we have made in executing Alpek's long-term strategy. Over the past few years, we have taken deliberate actions to reinforce our competitiveness, improve the quality of our portfolio and reinforce our financial position. Let me highlight some of the initiatives underway across our two strategic pillars, supported by financial flexibility.

First, strengthening our core business. We have continued to optimize our global footprint, directing production towards our most competitive and integrated facilities while providing cost efficiency. Since 2023, we have reduced installed capacity by 15%, including fibers capacity, and headcount by 29%, while maintaining similar volume levels. This demonstrates the effectiveness of our leaner operating model.

At the same time, we continue identifying opportunities to further improve performance within the organization. Earlier this month, we hosted our annual Innovation Awards, where teams from across Alpek presented projects to our executive team. This one focused on cost reductions, product improvements, business integrations, etcetera. We currently have more than 40 projects requiring minimal or no CAPEX, representing over $20 million of potential incremental EBITDA. These projects reflect a culture of continuous improvement throughout the organization.

Second pillar: growing and evolving our product portfolio. We are selectively investing in differentiated applications and differentiated products that offer higher margins. Key initiatives include:

- Expanding our thermoforming capacity in Saudi Arabia,
- Increasing our copolymer production in our Polypropylene business, and
- Venturing into expandable polystyrene extrusion in North America.

These investments, among several others in our pipeline, support a more resilient portfolio over the long term.

We are also pursuing capital-efficient growth opportunities by leveraging our assets, capabilities and customer relationships to unlock incremental value. As an example, in our Energy commercialization

business, we continue expanding into the electricity sector in Mexico and have begun supplying natural gas in Brazil.

Third, financial flexibility, which is a key enabler of our strategy. Even though our leverage ratio is now below 2.0 times, our focus remains on generating cash flow and further reducing debt. This includes working capital management, disciplined CAPEX and progressing asset monetization. These actions support our objective of maintaining a strong balance sheet while preserving financial flexibility to pursue attractive growth opportunities as they arise.

With that, I'll turn the call over to Rodrigo to discuss our financial results in greater detail.

Rodrigo Prieto

Good morning, everyone, thank you for joining us today. Let me go into our Third Quarter results.

Market conditions remained supportive, although PET reference margins moderated from second quarter peaks. Average Chinese integrated PET reference margins were $213 dollars per ton, down 31% sequentially, yet still 59% above 2025 levels. Ocean freight rates to South America also remained elevated, averaging $321 dollars per ton, up 43% quarter on quarter and 74% year over year.

Taking a look into earnings, Comparable EBITDA totaled $276 million, down 18% quarter on quarter, yet doubling when compared to the same period last year. Reported EBITDA also saw a significant year-over-year improvement of 161%, totaling $303 million. This included a $27 million inventory adjustment, primarily associated with higher raw material prices. Volume for the quarter remained solid at 1.17 million tons, flat sequentially and up 4% on an annual basis, reflecting solid demand levels and continued commercial and operating execution strength.

Looking at our business segments, Polyester achieved Comparable EBITDA of $205 million, increasing 134% year over year. Plastics & Chemicals delivered Comparable EBITDA of $62 million, 32% above the prior year. The remaining $9 million comes from the Others or Emerging Businesses segment, primarily consisting of our Energy commercialization.

Turning to Free Cash Flow:

- Alpek generated $5 million in Operating Free Cash Flow, as higher Reported EBITDA was offset by a larger-than-anticipated investment of $226 million in net working capital, driven mainly by a higher pricing environment, particularly paraxylene reaching multi-year highs.
- CAPEX totaled $46 million, including $30 million in strategic CAPEX.

During the quarter, net debt increased 3% to $1.72 billion, primarily reflecting the investment in net working capital and, to a lesser extent, payments to minority shareholders. At the same time, our leverage ratio improved to 1.8 times from 2.2 times, primarily driven by higher last twelve months' EBITDA, and now below our target range of 2.0 to 2.5 times.

Year-to-date, we have generated $222 million in Operating Free Cash Flow and reduced our net debt by $123 million. Our improved leverage position reflects the progress we have made in strengthening our balance sheet and reinforces our commitment to financial discipline. Looking ahead, we expect to further reduce net debt in the fourth quarter through continued cash generation, disciplined capital allocation and debt prepayments.

I would also like to highlight an important milestone for Alpek. During the quarter, we rejoined the IPC Index, which consists of the top 35 public companies, based on Market Cap and trading liquidity, listed on the Mexican Stock Exchange. We believe this will further enhance visibility among investors and contribute to long-term Shareholder value creation.

I'll turn the call back to Jorge to discuss our Guidance and Outlook.

Jorge Young

As we look to the remainder of the year, we are expecting PET reference margins and ocean freights to moderate, while remaining well above 2025 levels.

Based on our year-to-date performance and updated market assumptions, we are again raising our full-year 2026 Guidance. Our key assumptions for the remaining months are:

- Chinese PET reference margins at $225 dollars per ton,
- Polypropylene reference margins at 17 cents per pound, and
- Ocean freight to South America at $200 dollars per ton.

On this basis, we are raising our Comparable EBITDA to $990 million. For 2026, we continue to expect Operating Free Cash Flow in the range of $300 to $350 million and net debt reduction between $200 and $250 million by year-end, this is considering some moderation in the raw material pricing environment.

This continued focus on cash generation, and deleveraging will further enhance our financial flexibility, supporting disciplined capital allocation and selective investment in future growth opportunities. The remaining Guidance figures are unchanged. As a reminder, our Guidance does not include potential upsides from non-strategic asset sales.

As we approach 2027, the actions we have taken to optimize our footprint, improve efficiency and strengthen our financial position have made Alpek more competitive and better positioned to navigate changing market conditions. Our long-term strategy remains focused on leveraging our global capabilities and footprint to deliver consistent operational performance, while reinforcing our position as a reliable domestic supplier.

While industry conditions will continue to evolve, our priorities remain clear. We will continue focusing on reliable operations, serving our customers, managing costs and allocating capital with discipline. I am very confident in our team's ability to execute our strategy and continue creating sustainable value for our Shareholders.

Finally, I would like to thank our employees across Alpek for their continued dedication and commitment. Their agility and ability to find solutions in a rapidly changing environment have been instrumental to our performance this year.

Q&A

Juan Diego Siller

We will now begin the Q&A portion of today's Webcast.

To ask a question live, please use the raise hand feature. We will call on participants in the order they appear. You may also submit your questions through the Q&A function at any time. We will do our best to address as many questions as possible.

Our first question comes from Ben Isaacson with Scotiabank. Ben, please go ahead.

Ben Isaacson, Scotiabank

Thank you very much. Can you hear me okay?

Jorge Young

Yes.

Ben Isaacson, Scotiabank

Great. I have two questions. The first question is on leverage. You hit 1.8 times trailing EBITDA leverage in Q3, but on a mid-cycle basis, it must be higher than that. So, can you talk about where you think your leverage is on a mid-cycle basis? And if it is above your target range of 2.0 to 2.5 times, how does that impact your capital allocation for the Q4 and in 2027?

I'll ask the second question after. Thank you.

Jorge Young

Hi, Ben. Yes, thanks for your questions. Obviously, we would need to go into a deep discussion on what is the mid-cycle EBITDA. As we approach 2027, our goal is also to reduce our absolute level of debt, so that the company has additional flexibility.

In a mid-cycle EBITDA, if you put a number between 2025 and 2026, in that ballpark, we should be in our range or below our range. That's what we see in the first part of your question.

As we approach 2027, again, we want to see clear progress, not only on leverage, but also on the absolute reduction of debt. That will give us the tools and the flexibility to expedite an interesting pipeline of projects that we have, which will bring further Shareholder value.

Ben Isaacson, Scotiabank

Thank you for that. For my second and follow-up question, I believe in both segments, you tend to lock in a proportion of your volume at fixed or fairly stable margins. Given what's happening in both sides of the business right now because of the Middle East conflict, can you give us some understanding as to how you expect those contracted margins to look in 2027 versus 2026 or 2025, just so we can have some sense of magnitude?

Jorge Young

Yes, Ben, it's work that we still have in progress, because, as you clearly know, we are just beginning the period where we normally have those discussions and agreements with customers. We would expect margins certainly to be higher than 2025 compared to 2026, it depends. In many cases, we ended up agreeing to a price as the year began and as the conflict in the Middle East was arising, so those were very favorable to us in 2026. Some of those might moderate a little bit in 2027.

Another important chunk of our volume had margins for 2026 agreed before the conflict, but for which the customers were very supportive of Alpek, with some renegotiations and adjustments to more current market conditions for us to be able to do what we needed to find all the raw materials and deliver the product reliably.

Those contracts also captured some adjustments and increases in 2026, but those will likely keep further increasing in 2027, and at the end, it's going to be a mix that we still need to go through, again, some will moderate and some will have some level of increase. What we expect to see in 2027 is a very strong volume, similar to 2026. I think the momentum and the appreciation from the customer base for the local supplier remain high. The conflict is still uncertain, and our planning assumes the conflict will resolve and conditions will be challenging.

But the uncertainty remains, and again, we are making very good progress on aligning volumes. The margin is also an important variable to complete all those agreements, but the progress so far indicates to us that it's going to be a very good year in volume, and margins will be further refined. I would say at good conditions for us, much better than 2025 for sure. Compared to 2026, we are still working on that, but again, it should be a very good positioning for us with our key customers and the new customers we brought to the table in 2026.

Ben Isaacson, Scotiabank

Thank you very much.

Jorge Young

And more to come when we present our Guidance early next year.

Ben Isaacson, Scotiabank

Thank you.

Juan Diego Siller

Our next question comes from Thiago Casqueiro with Morgan Stanley. Thiago, please go ahead.

Thiago Casqueiro, Morgan Stanley

Hey, good morning. Thank you for taking my questions. My first one is on working capital. We have seen quite a significant investment in working capital over the past two quarters as prices moved higher, but as pricing conditions start to normalize, how much of that working capital should we expect to be released over the next few quarters?

And if I may, I would like to ask the second one now, and then you can answer both. The second one is more on the asset sales. I recall that this was initially a pretty important part of the deleveraging story, and Jorge mentioned today in the call that asset monetization remains one of the key pillars. But with market conditions improving, you have managed to bring leverage down much faster than initially expected. So, given how things have changed, are you reconsidering the sale of some of those assets? Could it make more sense now to actually keep some of them?

And then if I just add an additional point on this question, are you still targeting $30 to $50 million in asset sales for this year? Thank you.

Jorge Young

Yes, Thiago. On your first question on working capital, we look at it in two ways: the absolute level, of course, because that goes into the cash flow, but also our days of working capital. Are we having issues with our receivables, our payables or our inventory days? When you look at our numbers, working capital days are pretty much what we expect them to be. We are disciplined on inventories, and we have receivables and payables are exactly as we had planned them over the year. The only issue is unit prices, and unit prices have increased significantly because of the oil increases and some of our feedstocks further increases, like paraxylene.

It's a matter of when those prices moderate; then we will recover the working capital. If they recover to a level close to where they were before the conflict, we should recover a significant portion, if not all, of that working capital investment. So, it is very much related to unit prices. We do expect some moderation eventually and a recovery of that working capital. But I just want to be very clear is the issue at hand for us is unit prices, not days of working capital, nor any issues with collections or payments.

So, that's on working capital, it's a matter of when absolute prices fall and to what level, and the recovery will be pretty much in proportion to that.

On asset sales, that continues to be a high priority for us. We are still expecting to close this year between $30 and $50 million, and we have progress on some of those asset sales, year-to-date if about $14 .

The fact that we now have lower leverage doesn't slow down our efforts in disposing of those assets, because we have labeled them as non-core assets, so there is no need to keep them at all, and we have decided to sell. We are talking about pieces of land and so forth. We will probably have in addition to the goal this year another important objective next year of further non-strategic assets to continue the momentum.

And again, as we have mentioned in previous calls, we are going to take more time to prepare our piece of land in Monterrey, to dispose of it perhaps in a couple of years, but at a much higher expected value than what we could realize today at a faster pace. That continues unchanged and with high priority.

Thiago Casqueiro, Morgan Stanley

Very helpful, thank you.

Jorge Young

You're welcome.

Juan Diego Siller

Our next question comes from Leonardo Marcondes with Bank of America. Leonardo, please go ahead.

Leonardo Marcondes, Bank of America

Hi Jorge, Rodrigo, Juan and Ale. Thank you for picking my questions. I also have two from my end here. The first one is regarding spreads. PET spreads have come down from their mid-April peak, but they remain above pre-war levels. So, my question is, do you see room for further narrowing in 2027, or do you expect spreads to stay above pre-war levels? And what are the main drivers behind your view?

My second question is regarding volumes. Jorge has already discussed a bit about the strong volume this year, but how much of this reflects stronger demand, and how much reflects market share gains, as imported products have become less competitive? Thank you very much.

Jorge Young

Yes, thank you for your questions, Leo.

The question of spreads is a very good one that we ask ourselves all the time. The way we see things right now, we expect spreads to moderate, meaning they will likely come down on some glide path. But it is our view that they might remain above 2025 levels. Production utilization rates this year have been disrupted globally, especially in China and Asia, so inventory positions are not in the same place. It might take some extra time for the supply of inputs from the Middle East and global supply chains to normalize.

One other observation we have is that many Asian producers had access to discounted sanctioned oil. To what extent that was enabling them to go to very low margins, not only in PET, but in chemicals in general, is a question that we have, but there is a belief that it was a contributing factor. Access to sanctioned discounted oil is impaired for now, and it might not come back to the levels where it was.

So again, we just don't have a specific number. Obviously, we will share a number and an assumption in February, when we share our 2027 Guidance. But sitting here today, we would expect margins coming down from current levels but still remaining at a healthy distance from 2025 levels. Again, we will refine that analysis as we approach our next call.

One thing I forgot to mention on oil: at least for right now and in the short term, the shipping cost of oil delivered to Asian producers is higher. Again, this supports our hypothesis that conditions might stay elevated for some time.

On volume, for the most part, the volume gains that you saw in our numbers this year come from gaining share from imports. The industry in North America had a good year with the World Cup, and some beverage segments also performed well, such as sports drinks, water and so forth. So, it was a good year on demand, but I would say that behind the volume gains, it was more market share, mostly related to imports.

Leonardo Marcondes, Bank of America

Got it. Thank you very much.

Jorge Young

One thing that you don't get to appreciate in our numbers, for example, in our Polyester segment, is that you will see cumulative nine-month to nine-month growth of 3-4%, maybe 4-5% when we have the full-year numbers. But if you look into the mix, we have increased polymer sales and reduced the volume of terephthalic acid exports, which are typically the lowest contributors in margins, so our mix has improved relative to the volumes we report.

Leonardo Marcondes, Bank of America

Got it, thank you very much.

Juan Diego Siller

Our next question comes from Nicolas Barros with JP Morgan. Nicolas, please go ahead.

Nicolas Barros, JP Morgan

Hi, good morning, everyone. I've got two questions here. Given that you're already below your target leverage range, would you consider bringing forward any discussions related to dividends?

My second one is on freight prices. Could you comment more on the real impact of freight prices on your pricing power? What is the real relevance of freight to the import parity calculation, and could you give us any kind of sensitivity of EBITDA to freight prices? That would be very helpful. Thank you.

Rodrigo Prieto

Thank you for your question, Nico. The good results and the improvement in leverage will not distract us from our focus on our strategic pillar of creating financial flexibility. Debt reduction is very important for us, and before we talk about any dividends, we are very focused on reducing debt first. Then, we will see how numbers are coming in for next year, and after that, we might start the discussion on dividends. I would say that in the first quarter of next year, we will start evaluating and discussing it. We don't want to discard anything, but we are going to take a longer-term view before we make any decision.

Jorge Young

On your question on freight rates, I guess you are referring to container freight rates that influence the import parity of the products we sell in the regions we sell. In some of our markets, like South America, it's very typical for the freight rate to be a component in the pricing structure, so you see a clean, direct impact on pricing. Given our typical volume into that region, from what we produce in South America or what we ship from North America into South America, let's say a $10 change in freight might correlate with a $5 million change in EBITDA, just for that region.

In other regions, the equation is more complex, because freight rates influence pricing, but are not necessarily a component in the formulas. I don't know if we have provided these figures before, but our rule of thumb, once you factor in all of Alpek, is probably that each $1 change in freight rates is $1 million, or $10 is about $10 million. We will refine those calculations and get back to you.

Nicolas Barros, JP Morgan

Alright, thank you so much.

Juan Diego Siller

The following question comes from Tasso Vasconcellos with UBS. Tasso, please go ahead with your question.

Tasso Vasconcellos, UBS

Hi, Jorge. Hi Rodrigo, thanks for taking my questions. Two here as well. The first one, I would like to ask again about freight rates, but from another point of view. As you just mentioned, Jorge, it is positive for you that you can achieve better pricing following that. And when we look globally, we are not seeing any signals of the conflict ending, so there might be some sustained challenge from here in terms of global freight rates. I'd like to hear your view on how you're seeing this going forward, not just for the next quarter, but maybe for the next one, two or three years, and how Alpek could take advantage of this in the upcoming years.

And then my second question, President Trump has been saying that the U.S. and Mexico are moving closer to a potential new agreement, and there is also the election in the U.S. next month. Do you expect any kind of impact on Alpek's operations, either to the upside or to the downside? Can you take some kind of benefit from that going forward? I would like to hear your thoughts on that as well. Those are my two questions. Thank you.

Jorge Young

Good, thank you, Tasso. Predicting the global ocean container freight market is challenging. There is geopolitical tension, and I think we continue to move into a world with more uncertainty, which will continue to introduce volatility to freight rates. Sometimes it's not only the rate, but also availability. Again, those are factors that have been supportive of our business.

I think they are going to remain uncertain, but it's very difficult to pinpoint what specific level they will have in the next one or two years. There is ample ship capacity in the world, but the continuous volatility and unpredictability of events, many times including weather events, has made it very difficult to predict where the global ocean fleet is going. For Alpek, volatility will be supportive, because it will continue to bring uncertainty or disruptions to the freight environment. Again, we will take a shot at a number and share that assumption explicitly in our February call.

On the second question regarding the discussions and negotiations between the United States and Mexico, we do not expect an impact. Right now, we do have some flow of products, PTA and PET polymer, either by ourselves or by customers, as well as styrene and EPS. But we have always complied with the USMCA content requirements, so we are safe within that. Obviously, we don't have access to all the details in the negotiations, but the way we hear things are progressing, we don't expect issues going forward for our operations.

Tasso Vasconcellos, UBS

That's clear, thank you.

Juan Diego Siller

The following question comes from Andrés Cardona with Citi. Andrés, please go ahead with your question.

Andrés Cardona, Citi

Thank you, good morning, everyone. Jorge, Rodrigo and Juan, regarding the local-for-local supply strategy, you mentioned you are seeing some benefits on volumes, and I'm wondering if you are also seeing the merge of a premium because of reliability in terms of delivery times. I remember when we had the COVID supply shock, there was this premium. So, I just wanted to understand that point.

The second one, which you have partially answered, is that net leverage is declining. You mentioned you have an objective to reduce gross leverage and may discuss dividends early next year, but you also mentioned some organic growth opportunities. So, I just wanted to see if you can rank your capital allocation priorities, and if you could include inorganic growth opportunities as well. Thank you.

Jorge Young

Yes, Andrés, I'm going to answer your first question. The local-for-local, local supplier positioning strategy is very central and very relevant for us. This is how the businesses have been designed, and for us, it's of extreme value to prove to our customers that we can provide that extra value by being very close to them. That typically shows as a price premium compared to the import parity.

Obviously, those are discussions and negotiations we constantly have with our customer base, and we are also interested in being very competitive for them. But normally there is a premium. Again, it's negotiated and depends on where the customer is located and so forth, but it's part of the equation, and it has been for a while. In times of uncertainty, there is probably more value to that. In periods where there is no uncertainty and imports are steadily present over a long time, those premiums tend to shrink a little bit. Right now, we are in the uncertainty phase.

Rodrigo Prieto

On your second question, Andrés, in terms of ranking, I would say our most important priority is, as you mentioned, debt reduction. Gaining this financial flexibility would definitely be number one. Then, there are a couple of high-return CAPEX projects that have been in the pipeline for some time. These are organic projects that look very good, and we will be going for them in the near term. Third, in terms of ranking, I would say opportunistic M&A and dividends.

Andrés Cardona, Citi

Thank you, Jorge and Rodrigo.

Rodrigo Prieto

You're welcome.

Juan Diego Siller

Our next question comes from Alejandra Andrade with JP Morgan. Alejandra, please go ahead with your question.

Alejandra Andrade, JP Morgan

Hi, thanks so much for taking my question. I just wanted to dig a little deeper into the debt reduction that you are pursuing. Is there a specific gross debt target that you want to reach? And in terms of debt reduction, would you be targeting more of the loans or the bonds? How are you thinking about the different parts of the capital structure? Thanks.

Rodrigo Prieto

Thank you, Alejandra. In terms of our net debt target, I would say around $1.2 to $1.3 billion would be a reasonable number to work around. That will be very linked to how we recover net working capital in the next quarters as prices come down.

On your second question, we are working on some refinancing alternatives. We have some bank loans and bonds for which we are evaluating repurchases or prepayments, to extend our debt profile to a longer term.

Alejandra Andrade, JP Morgan

Thank you.

Juan Diego Siller

Our next question comes from Vanessa Quiroga with Eternal Capital. Vanessa, please go ahead with your question.

Vanessa Quiroga, Eternal Capital

Thank you. Hi, Alpek team. I wanted to go deeper into your views on what could happen with spreads going forward by segment. Between Polyester and Plastics & Chemicals, which one would you see normalizing, meaning going down from current levels, faster or to a bigger extent, considering what you are seeing today in terms of freight and Asian spreads? That's one of the questions that I have.

Jorge Young

So far, Vanessa, in Plastics & Chemicals, spreads have come down a little faster than in the Polyester segment. They are still above pre-conflict levels, but getting closer to those levels. As we mentioned, we still see polypropylene at 17 cents for the balance of the quarter, which compares to 14 cents pre-conflict. For next year, we are still defining our view. There is less influence of ocean freights in Plastics & Chemicals than in Polyester.

In Polyester, margins have also come down from the peak but remain clearly above pre-conflict levels. On top of that, ocean freights, which have a more important influence on our bottom line in Polyester than in other segments, still remain elevated.

So, a quick answer to that question is that Plastics & Chemicals is on a quicker trend to normalize. The question is where they land. They may not necessarily land at the very low levels of last year. It could happen, but we just don't know yet. Again, we will bring our assumptions and best view in the next conference.

Vanessa Quiroga, Eternal Capital

Excellent. The other question that I have is regarding cost pressures. Given that the war has continued for longer than anybody expected, are there any cost pressures starting to emerge that weren't expected in the early days, just to get a better sense of any other factors to consider going forward?

Jorge Young

There have been a number of cost pressures coming from the conflict. For the most part, we have been able to pass through those cost pressures to our pricing structures across Alpek's segments. I think

cost pressures overall remain elevated. As you know, in our industry, direct raw material increases or decreases are automatically passed on to pricing. Secondary items, like energy and so forth, are not necessarily part of the formulas, but there have been renegotiations of the formulas to capture some of that inflation. The most significant impact is typically raw materials, and those are normally passed through completely.

Vanessa Quiroga, Eternal Capital

Okay, excellent, thank you very much.

Jorge Young

You're welcome.

Juan Diego Siller

Our next question comes from Regina Carrillo with GBM. Regina, please go ahead with your question.

Regina Carrillo, GBM

Hi, good morning, and congratulations on the results. My question is on CAPEX. CAPEX has been very low for the last couple of years. What should be a normalized level of maintenance and growth CAPEX for the coming years?

Rodrigo Prieto

Thank you, Regina. Yes, that's a good point; we have been very diligent in managing CAPEX through these low-cycle years. We will continue to be very strategic in how we allocate CAPEX, and I would say it should be less than $200 million.

Regina Carrillo, GBM

Perfect, thank you. If I may ask one more question, can you give us more color on why the Operating Free Cash Flow Guidance remained unchanged, despite the increase in Comparable EBITDA Guidance? Is it all working capital assumptions?

Rodrigo Prieto

Sure, Regina, that's mainly because of net working capital. We are expecting some recovery, but not all of it, so that is the main reason.

Jorge Young

It's all about higher unit prices. When we did our third quarter forecast, we were expecting oil and our main raw materials to be clearly coming down by year-end, and that's not happening yet; on the contrary. Oil is not back to the peaks we saw in April, but some raw materials have already surpassed that peak by a big chunk.

Regina Carrillo, GBM

Thank you very much. Thank you, Rodrigo.

Juan Diego Siller

That was our last question. On behalf of Alpek, thank you for your participation and continued interest. Please contact us if you have any additional questions.