



EARNINGS REPORT

Second Quarter 2022 (2Q22)

Monterrey, N.L., Mexico, July 20, 2022.

ALFA, S.A.B. de C.V. (BMV: ALFAA) ("ALFA"), a company that has developed a diversified portfolio of leading businesses with global operations, announced today its unaudited results for the second quarter of 2022 ("2Q22"). All figures have been prepared in accordance with International Financial Reporting Standards ("IFRS").

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ALFA reports 2Q22 EBITDA of US \$706 million, highest second quarter result in its history

2Q22 HIGHLIGHTS

<p>ALFA</p>	<ul style="list-style-type: none"> ▶ 2022 EBITDA Guidance adjusted slightly to US \$2.280 billion as higher Alpek guidance is offset by Sigma reduction and Axtel exclusion ▶ Process to spin-off Axtel moving forward as approved by ALFA shareholders on July 12; ALFA simplifying further its corporate structure to continue unlocking value ▶ Second quarter EBITDA surged 42% versus 2Q21 driven mainly by Alpek ▶ Consolidated net leverage ratio of 2.3 times, down 9% year over year; six consecutive quarters posting improvement ▶ Repurchased 62 million ALFA shares in 2Q22 (~US \$43 million)
<p>Alpek</p>	<ul style="list-style-type: none"> ▶ 2022 EBITDA Guidance revised up 17% to US \$1.600 billion supported by strong performance, a solid margin outlook and the OCTAL acquisition ▶ Closed OCTAL acquisition ahead of plan and assumed control on June 1st ▶ First ALFA subsidiary to obtain approval from SBTi for its emissions reduction target
<p>Sigma</p>	<ul style="list-style-type: none"> ▶ 2022 EBITDA Guidance revised down 8% to US \$700 million reflecting subpar performance in Europe and sequential recovery in 2H22 ▶ Record quarterly revenue of US \$1.870 billion, driven by double-digit growth in Mexico, the U.S. and Latam ▶ Europe EBITDA up 20% versus 1Q22 driven by initiatives to mitigate the recent rise in energy prices and other input costs
<p>Axtel</p>	<ul style="list-style-type: none"> ▶ Axtel's Board of Directors appointed Armando de la Peña as CEO, effective May 1, 2022. ▶ ALFA's process to spin-off Axtel does not involve changes in Axtel's Board of Directors or Top Management ▶ Actively engaged to refinance 2024 bond more than 2 years ahead of maturity; process focused on bank loan alternatives ▶ 2022 EBITDA Guidance lowered 11% to US \$158 million primarily due to Government segment results, semiconductor shortage causing delays and reduced contribution from large wholesale customer

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Second Quarter 2022 (2Q22)



SELECTED FINANCIAL INFORMATION (US \$ MILLION)

	2Q22	1Q22	2Q21	Ch.% vs. 1Q22	Ch.% vs. 2Q21	YTD '22	YTD '21	Ch. %
ALFA Revenues	4,835	4,191	3,731	15	30	9,026	7,119	27
Alpek	2,815	2,332	1,849	21	52	5,147	3,463	49
Sigma	1,870	1,711	1,707	9	10	3,582	3,320	8
Axtel	127	124	149	2	(15)	251	288	(13)
ALFA EBITDA¹	706	644	496	10	42	1,350	1,031	31
Alpek	507	456	273	11	86	964	597	61
Sigma	172	161	182	7	(5)	333	363	(8)
Axtel	35	35	57	-	(39)	70	102	(31)
ALFA Comparable EBITDA²	568	520	449	9	27	1,088	863	26
Alpek	369	333	225	11	64	702	429	64
Sigma	172	161	182	7	(5)	333	363	(8)
Axtel	35	35	57	-	(39)	70	102	(31)
Majority Net Income	243	210	99	15	144	453	253	79
CAPEX & Acquisitions	763	92	183	729	317	855	262	226
ALFA Net Debt	5,406	4,906	4,811	10	12	5,406	4,811	12
Alpek	1,776	1,310	1,247	36	42	1,776	1,247	42
Sigma	1,772	1,795	1,728	(1)	3	1,772	1,728	3
Axtel	570	585	625	(3)	(9)	570	625	(9)
ALFA Net Debt/LTM* EBITDA	2.3	2.3	2.6					
ALFA LTM* Interest Coverage	6.9	6.4	5.0					

* Times LTM = Last 12 months.

1 EBITDA = Operating Income + depreciation and amortization + impairment of assets.

2 Excludes extraordinary items.

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Message from ALFA's President

"We hope you and your families are remaining safe and healthy. The second quarter was marked by exciting developments on the strategic front, including the announcement of the Axtel spin-off and Alpek's closing on the previously announced OCTAL acquisition. We are also pleased to report strong consolidated performance with quarterly EBITDA of US \$706 million and six consecutive quarters of year-over-year improvement in the net leverage ratio.

ALFA's 2Q22 revenue increased 30% year-over-year and EBITDA surged 42% driven once again by a better-than-expected performance at Alpek. The petrochemical business continued to capitalize on strong reference margins in its core products plus solid demand. In addition, Alpek's results benefitted from the integration of the OCTAL acquisition in June.

Sigma was negatively impacted by the ongoing headwinds in its European operations, primarily higher energy prices and input costs as well as lower pork exports. Noteworthy, Sigma Europe EBITDA was up 20% quarter-on-quarter as operating efficiencies and pricing actions have been implemented to mitigate inflationary pressures. Meanwhile, lower sales from the Government segment, project delays caused by the global semiconductor shortage, and lower revenues from a large wholesale customer continued to weigh on Axtel's results. It is important to note that the large wholesale customer's "*concurso mercantil*" process reached a financing agreement which provides certainty going forward to its creditors and suppliers like Axtel.

ALFA is fully committed to continue transferring value to its shareholders through a balanced approach which includes dividends, share repurchases, improvement in credit metrics and the transformational efforts underway to address the conglomerate discount.

We took a decisive step forward during the quarter when we announced the plan to spin-off Axtel to the ALFA shareholders. As approved by ALFA's shareholders on July 12th, we are following virtually the same structure and process implemented when we spun off Nemark in 2020. ALFA will transfer its entire stake in Axtel to ALFA's shareholders via a new, Bolsa-listed entity named Controladora Axtel.

By spinning-off Axtel, ALFA further simplifies its corporate structure and enhances its financial position as the two remaining subsidiaries, Alpek and Sigma, have investment grade credit ratings. In addition, ALFA's shareholders gain autonomy as we advance, holding separate stakes in ALFA, Nemark and soon in Axtel. Also, as an independent business, Axtel will drive strategic initiatives to boost growth without the influence of ALFA's transformational process.

Another key value-enhancing event during the quarter was Alpek closing the OCTAL acquisition ahead of plan. For 2022, Alpek is projecting an EBITDA contribution of US \$120 million from OCTAL supported by better-than-expected reference margins and overall favorable industry conditions. In turn, Alpek increased its 2022 EBITDA guidance to US \$1.600 billion, up from US \$1.365 billion announced in 1Q22.

ALFA has also adjusted its 2022 guidance to reflect three significant items. First, the accounting effect resulting from Axtel being presented as a discontinued operation beginning in 3Q22. Second, Alpek raising guidance driven by the integration of OCTAL plus a solid reference margin outlook. Third, lower guidance from Sigma due to subpar performance from its European operations partially offset by solid results in Mexico, U.S. and Latam. The net result is ALFA's 2022 Consolidated EBITDA Guidance adjusted slightly to US \$2.280 billion, compared with US \$2.283 billion announced in 1Q22.

On the ESG front, Alpek became the first ALFA subsidiary to receive approval from the Science Based Targets initiative (SBTi) for its greenhouse gas emissions reduction target. Alpek is committed to reducing scope 1 and 2 emissions by 27.5% versus a 2019 baseline by 2030, which is in line with the Paris Agreement to combat climate change. Transitioning to renewable sources of electricity, improving energy usage, and producing emission-free steam are some of the initiatives Alpek will implement to meet its targets and reach carbon neutrality by 2050.

Looking to the remainder of the year, ALFA will prioritize the successful execution of the Axtel spin-off. Sigma will continue driving growth initiatives and mitigating inflationary pressures through operating efficiencies and revenue management. Alpek will focus on effectively integrating OCTAL to capture the full potential of this transformational acquisition and continue capitalizing on favorable industry dynamics.

In closing, we would also like to extend our condolences to the family of José Calderón Rojas who recently passed away. Mr. Calderón was a member of ALFA's Board of Directors since 2005 and dear friend with a long family legacy as an ALFA shareholder. We are grateful for his many years of dedicated service and valuable insight. Our thoughts and prayers go out to his family and loved ones. ALFA will be undertaking a search for a new Board member in due course."

Keep well/Stay safe,

Álvaro Fernández

ALFA (BMV: ALFAA) Consolidated Financial Results

INCOME STATEMENT (US \$ MILLION)

	2Q22	1Q22	2Q21	(%) 2Q22 vs.		YTD '22	YTD '21	Ch. %
				1Q22	2Q21			
Total Revenues	4,835	4,191	3,731	15	30	9,026	7,119	27
Gross Profit	1,096	1,009	844	9	30	2,105	1,722	22
Operating expenses and others	(536)	(504)	(504)	(6)	(6)	(1,039)	(1,002)	(4)
Operating income (loss)	560	505	340	11	65	1,065	720	48
Financial cost, net	(88)	(73)	(78)	(20)	(13)	(161)	(245)	34
Share of losses of associates	0	1	0	(43)	68	1	0	-
Income Tax	(145)	(141)	(99)	(3)	(47)	(286)	(115)	(149)
Consolidated net income (loss)	327	292	164	12	100	619	360	72
Controlling Interest	243	210	99	15	144	453	253	79
EBITDA	706	644	496	10	42	1,350	1,031	31
EBITDA/Revenues (%)	14.6	15.4	13.3			15.0	14.5	

Total Revenues in 2Q22 were US \$4.835 billion, up 30% when compared to 2Q21, driven by Alpek and Sigma. Alpek revenues increased 52% year-on-year, boosted by higher average consolidated prices amid rising oil and feedstock prices as well as strong volume. Accumulated Revenues were US \$9.026 billion, up 27% when compared to the first half of 2021 (see Table 2).

EBITDA in 2Q22 was US \$706 million, up 42% year-on-year as an 86% increase at Alpek was partially offset by decreases of 5% and 39% at Sigma and Axtel, respectively. 2Q22 EBITDA includes a US \$138 million net gain from extraordinary items related to Alpek, mainly comprised of a US \$80 million non-cash inventory adjustment and a US \$73 million positive carry-forward effect. Accumulated EBITDA was US \$1.350 billion, up 31% year-on-year, a record high for any first half of the year.

Adjusting for extraordinary items in all periods, Comparable ALFA EBITDA was US \$568 million, US \$520 million and US \$449 million in 2Q22, 1Q22 and 2Q21, respectively. Comparable ALFA EBITDA was up 27% year-on-year, boosted by 64% growth at Alpek that was partially offset by Sigma and Axtel. Accumulated Comparable EBITDA was US \$1.088 billion, up 26% year-on-year (see Tables 3, 4 and 5).

Operating Income was US \$560 million, up from US \$340 million in 2Q21, reflecting the increase in EBITDA explained above. Accumulated Operating Income was US \$1.065 billion, versus US \$720 million in the first half of 2021 (see Table 3).

Comprehensive Financing Expense (CFE) of US \$88 million was up from US \$78 million in 2Q21, primarily due to higher financial expenses related to the OCTAL acquisition by Alpek. Accumulated CFE was US \$161 million, down 34% year-on-year (see Table 6).

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Controlling Interest Net Income was US \$243 million in 2Q22 compared to US \$99 million in 2Q21. Higher Operating Income in 2Q22 more than offset higher Income Tax and CFE year-on-year. Accumulated Controlling Interest Net Income was US \$453 million, versus US \$253 million in the first half of 2021 driven by higher Operating Income and lower CFE which were partially offset by higher Income Taxes (see Table 7).

CHANGE IN NET DEBT (US \$ MILLION)

	2Q22	1Q22	2Q21	(%) 2Q22 vs.		YTD '22	YTD '21	Ch. %
				1Q22	2Q21			
EBITDA	706	644	496	10	42	1,350	1,031	31
Net Working Capital	(268)	(305)	25	12	-	(574)	(251)	(129)
Capital Expenditures & Acquisitions	(763)	(92)	(183)	(729)	(317)	(855)	(262)	(226)
Net Financial Expenses	(90)	(87)	(81)	(4)	(10)	(177)	(212)	17
Taxes	(120)	(127)	(54)	6	(123)	(247)	(213)	(16)
Dividends	(1)	(266)	(122)	100	100	(267)	(169)	(57)
Other Sources (Uses)	36	4	(29)	800	224	40	(37)	208
Decrease (Increase) in Net Debt	(500)	(229)	52	(118)	-	(730)	(112)	(549)

Net Debt was US \$5.406 billion at the close of 2Q22. On an absolute basis, consolidated ALFA Net Debt increased US \$730 million versus year-end 2021 mainly due to Alpek's acquisition of OCTAL and higher investment in Net Working Capital.

As of June 30, 2022, Cash totaled US \$1.392 billion, up US \$100 million quarter-on-quarter. At the close of 2Q22, ALFA and its Subsidiaries had US \$2.826 billion in available Credit Lines. Financial ratios at the close of 2Q22 were: Net Debt to EBITDA of 2.3 times and Interest Coverage of 6.9 times, compared with 2.6 and 5.0 times in 2Q21, respectively (see Table 8).

Net Working Capital was US \$268 million during 2Q22, reflecting primarily the effect of higher average feedstock prices at Alpek. Accumulated Net Working Capital was US \$574 million mainly due to the effect of higher feedstock prices in Alpek and seasonal investments at Sigma in 1Q22.

Capital Expenditures & Acquisitions (Capex) was US \$763 million in 2Q22 driven by Alpek's acquisition of OCTAL. Capex also includes other planned investments in maintenance and operating asset replacements. Accumulated Capex was US \$855 million versus US \$262 million in the first half of 2021.

Dividends of US \$1 million in 2Q22 include dividends paid to minority shareholders at the subsidiary level. Accumulated Dividends were US \$267 million versus US \$169 million in the first half of 2021. Accumulated Dividends to ALFA shareholders in the first half of 2022 were US \$196 million.

RECENT DEVELOPMENTS - ALFA

2022 Guidance Update	<ul style="list-style-type: none"> 2022 EBITDA Guidance revised in 2Q22 																					
	<table border="1"> <thead> <tr> <th colspan="2">(US \$ Millions)</th> <th>Revised 2Q22</th> <th>Revised 1Q22</th> <th>Original 2022</th> </tr> </thead> <tbody> <tr> <td rowspan="4">EBITDA</td> <td>ALFA¹</td> <td>2,280</td> <td>2,283</td> <td>1,949</td> </tr> <tr> <td>Alpek²</td> <td>1,600</td> <td>1,365</td> <td>1,031</td> </tr> <tr> <td>Sigma</td> <td>700</td> <td>760</td> <td>760</td> </tr> <tr> <td>Axtel³</td> <td>-</td> <td>178</td> <td>178</td> </tr> </tbody> </table> <p>1 - Includes US \$125 million extraordinary items from Alpek (Comparable EBITDA: US \$2,155 million) 2 - Includes US \$125 million extraordinary items (Comparable EBITDA: US \$1,475 million) 3 - Axtel will be presented as a Discontinued Operation beginning in 3Q22 due to the spin-off</p>	(US \$ Millions)		Revised 2Q22	Revised 1Q22	Original 2022	EBITDA	ALFA ¹	2,280	2,283	1,949	Alpek ²	1,600	1,365	1,031	Sigma	700	760	760	Axtel ³	-	178
(US \$ Millions)		Revised 2Q22	Revised 1Q22	Original 2022																		
EBITDA	ALFA ¹	2,280	2,283	1,949																		
	Alpek ²	1,600	1,365	1,031																		
	Sigma	700	760	760																		
	Axtel ³	-	178	178																		
Axtel spin-off	<ul style="list-style-type: none"> Shareholders approved the proposal to spin-off Axtel (July 12, 2022) ALFA will transfer all its Axtel shares to a new, listed entity: Controladora Axtel ALFA Shareholders will receive one share of Controladora Axtel for each ALFA share they own Spin-off, listing and share distribution processes expected to be completed before year-end 																					
Unlocking Value	<ul style="list-style-type: none"> Transformational initiative to maximize valuation – reduce conglomerate discount Gradual and orderly transition towards independent business model (vs conglomerate) Transfer autonomy to ALFA shareholders (e.g., Axtel and Nemark spin-offs) Commitment to maintain strong credit profile throughout transformation process Steady progress on transformational plan; focused on three key directives: <ul style="list-style-type: none"> Reinforce financial position – 2.3x Net debt/EBITDA at the close of 2Q22 Strengthen the businesses – Sigma and Alpek Enhance independence – Axtel spin-off 																					
NAFINSA Trust (“NT”)	<ul style="list-style-type: none"> Based on figures provided by Nacional Financiera, S.N.C., the number of ALFA shares held by foreign investors on June 30, 2022 was 2,515,613,150 shares, equivalent to 51.94% of ALFA shares outstanding The maximum authorized NT threshold is 75% of the representative stocks of ALFA's capital stock 																					
Share Repurchase Program	<ul style="list-style-type: none"> 62 million shares repurchased during 2Q22 (~US \$43 million) 65.5 million total shares repurchased and held at the Treasury since 4Q21 (~US \$46 million) 																					

Credit Ratings	<ul style="list-style-type: none">ALFA's credit ratings affirmed following Axtel spin-off announcement. Improved outlook from one rating agency supported by improving credit metrics <p>Fitch Ratings</p> <ul style="list-style-type: none">Affirmed Long-Term Foreign and Local Currency Issuer Default Ratings (IDRs) at BBB- and Stable outlook (Jun-28) <p>Moody's</p> <ul style="list-style-type: none">Long-term Baa3 issuer credit rating and Stable outlook (Feb-27) <p>S&P Global Ratings</p> <ul style="list-style-type: none">Revised ALFA's long-term issuer outlook to Positive from StableAffirmed ALFA's long-term international BBB- issuer credit rating; affirmed the BB+ issue-level rating on the company's debt (Jun-28)
Quiet Period	<ul style="list-style-type: none">ALFA enters into a Quiet Period seven days prior to the close of each quarter3Q22 Quiet Period will begin on September 23, 2022


Results by Business

Sigma – FOOD PRODUCTS

39% of ALFA's Revenues in 2Q22



QUARTERLY HIGHLIGHTS

Sigma	<ul style="list-style-type: none"> ▶ Record Revenue driven by double-digit growth in Mexico, the U.S. and Latam YoY ▶ 2Q22 EBITDA of US \$172 million as solid performance in the Americas was more than offset primarily by higher costs and lower fresh pork sales in Europe ▶ EBITDA Guidance adjusted to US \$700 million, from US \$760 million; due to lower-than-expected results in Europe amid the Russia-Ukraine conflict
Mexico	<ul style="list-style-type: none"> ▶ Record quarterly Revenue and second highest quarterly EBITDA driven by higher prices in response to cost increases, and supported by volume growth ▶ Pilot program of 19 fully electric, last-mile delivery and utility vehicles, aimed at reducing carbon emissions
Europe	<ul style="list-style-type: none"> ▶ Quarterly Revenue increased 5% in local currency ▶ Sequential quarterly EBITDA improvement of 20% as higher prices were reflected towards the end of the quarter ▶  better balance* doubled its points-of-sale through agreements with 3 retail chains
U.S.	<ul style="list-style-type: none"> ▶ Record Revenue and double-digit EBITDA growth driven by higher prices in response to cost increases, and supported by strong volume
Latam	<ul style="list-style-type: none"> ▶ Record Revenue and double-digit EBITDA growth driven by higher prices in response to cost increases, and supported by strong volume ▶ Highest second quarter EBITDA ▶ Foodservice Revenue and EBITDA, up 45% and 140% YoY

*Global plant-based brand

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SELECTED FINANCIAL INFORMATION (US \$ MILLION)

	2Q22	1Q22	2Q21	(%) 2Q22 vs.		YTD '22	YTD '21	Ch. %
				1Q22	2Q21			
Volume (ktons)	445	424	428	5	4	869	847	3
Mexico	224	212	212	5	6	436	413	6
Europe	107	106	109	0	(2)	213	221	(4)
United States	89	81	84	10	5	170	165	3
Latam	26	25	24	1	10	51	47	9
Revenues	1,870	1,711	1,707	9	10	3,582	3,320	8
Mexico	832	747	714	11	17	1,579	1,351	17
Europe	544	511	583	7	(7)	1,054	1,159	(9)
United States	363	329	300	10	21	691	589	17
Latam	132	126	111	5	19	257	221	16
EBITDA	172	161	182	7	(5)	333	363	(8)
Mexico	110	97	107	13	2	207	200	3
Europe	13	10	32	20	(60)	23	70	(67)
United States	38	42	33	(8)	15	80	71	12
Latam	12	12	10	(3)	15	23	22	5
Capex & Acquisitions¹	69	35	31	97	125	104	64	61
Net Debt	1,772	1,795	1,728	(1)	3	1,772	1,728	3
Net Debt / LTM* EBITDA	2.5	2.5	2.4					
LTM* Interest Coverage ²	6.1	6.3	6.4					

* Times. LTM = Last 12 months

1 Gross amount; does not include divestments

2 Interest Coverage = EBITDA/Net Financial Expenses

Message from Sigma's President

"As I look back upon the past few quarters, I am confident that the accomplishments and the internal changes we are making will strengthen our company. We continue to improve our adaptability, and proactively take actions aimed at mitigating external factors to become a more profitable company in the long-term. We are also reinforcing our strategic vision supported by our newly formed advisory board. The Core business performance remains solid, and we move forward in finding new revenue sources, which includes our collaboration with the entrepreneurial ecosystem. At the same time, we are further developing the Enablers of our organization to support Sigma in reaching its full potential.

During the quarter, our team delivered record quarterly Revenue of US \$1.870 billion, driven by double-digit growth in Mexico, the U.S., and Latam. These results are mainly explained by higher average prices in response to the current inflationary environment. Consolidated EBITDA improved sequentially to US \$172 million but was below 2Q21 levels, as European costs continued to trend upwards and pricing actions were mostly reflected towards the end of the quarter.

While we are encouraged by the positive performance in the Americas and the actions taken in Europe to overcome inflationary pressures, the degree to which costs in Europe have impacted results during the first half of the year have led us to adjust our full year EBITDA Guidance to US \$700 million, from US \$760 million. Revenue and CAPEX figures, however, remain unchanged.

On the business independence front, we continue to implement initiatives aimed towards becoming a more independent company. For example, during the second quarter, we incorporated the internal audit and legal affairs activities that were previously carried out by ALFA. I would also like to mention that our advisory board members are settling in their role within the company, providing new perspectives and driving deep discussions. Together, we will be able to reach a mid-to-high single-digit organic growth rate, in a manner that is also sustainable.

Tastech, our business accelerator, continued to expand to new frontiers in its third edition, with startup applications from 41 countries. This is a prime example of Sigma's ability to successfully collaborate with the entrepreneurial ecosystem and to find new ways to transform the food industry, sharing deep consumer knowledge, R&D expertise, and a global infrastructure.

We continue developing our organization's Enablers. Specially the set of behaviors that influences how we think, work, and interact. We actively foster a Culture that boosts growth by focusing on the things within our control, encouraging open and early discussions, breaking silos, and uncovering root causes to find solutions. These efforts reinforce Sigma's long-term competitiveness.

Finally, we remain vigilant on the evolving environment, and are cautiously optimistic for the second half of the year. Together, we are on solid footing to overcome upcoming challenges as we pursue sustainable growth and profitability. Thank you for your interest in Sigma."

Rodrigo Fernández

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Second Quarter 2022 (2Q22)



INCOME STATEMENT (US \$ MILLION)

	2Q22	1Q22	2Q21	(%) 2Q22 vs		YTD '22	YTD '21	Ch. %
				1Q22	2Q21			
Total Revenues	1,870	1,711	1,707	9	10	3,582	3,320	8
Gross Profit	486	461	477	6	2	947	948	(0)
Operating expenses and others	(370)	(349)	(350)	6	6	(719)	(695)	3
Operating income (loss)	116	112	127	4	(9)	228	254	(10)
Financial cost, net	(33)	(31)	(64)	8	(48)	(64)	(94)	(32)
Share of losses of associates	0	0	0	-	-	0	0	-
Income Tax	(66)	(35)	(46)	85	42	(101)	(61)	65
Consolidated net income (loss)	17	45	17	(62)	4	63	98	(36)
EBITDA	172	161	182	7	(5)	333	363	(8)
EBITDA/Revenues (%)	9.2	9.4	10.7			9.3	10.9	

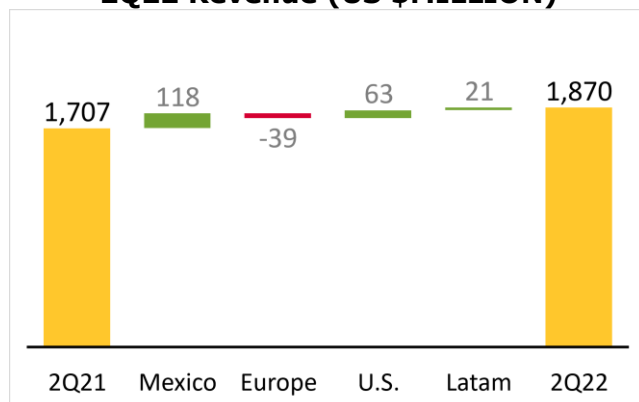
Volume was 445 ktons in 2Q22, up 4% year-on-year, and explained by strong demand in Mexico, the U.S. and Latam, which more than offset lower European fresh pork meat sales. Volume for the Foodservice channel increased by 24% year-on-year. Adjusting for Foodservice results, quarterly volume increased 2% year-on-year.

Average prices in local currency increased by 9% during 2Q22 accounting for higher raw material costs.

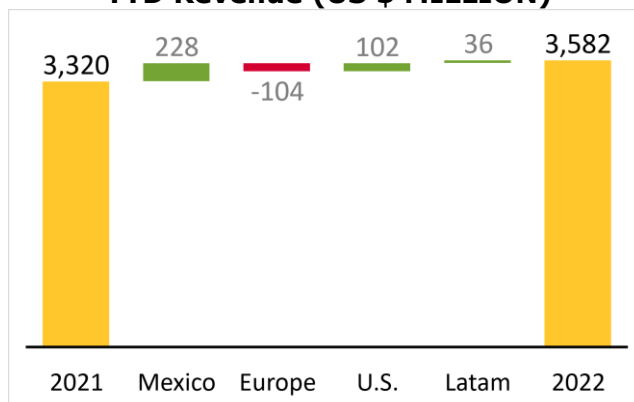
Revenues were US \$1.870 billion in 2Q22, up 10% year-on-year. Quarterly revenues were driven by higher average prices and higher consolidated volumes. Adjusting for Foodservice results, Revenues increased by 7% year-on-year. In local currency, revenues were 14% above 2Q21, explained by double-digit growth in Mexico (+16%), the U.S. (+21%), and Latam (+20%) and mid-single-digit growth in Europe (+5%) (see Table 10).

Accumulated revenues were US \$3.582 billion, 8% higher year-on-year. In local currency, accumulated revenues rose by 11% year-on-year.

2Q22 Revenue (US \$MILLION)



YTD Revenue (US \$ MILLION)



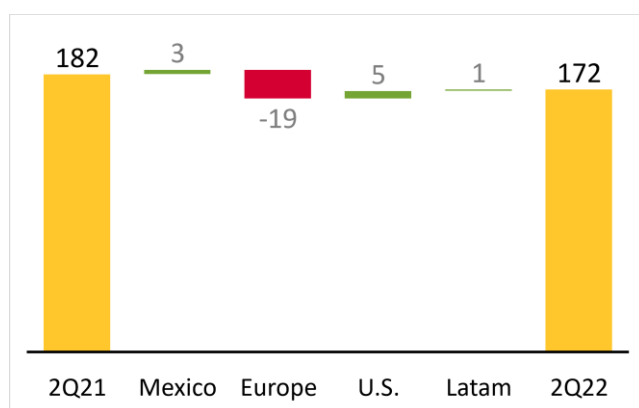
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Second Quarter 2022 (2Q22)

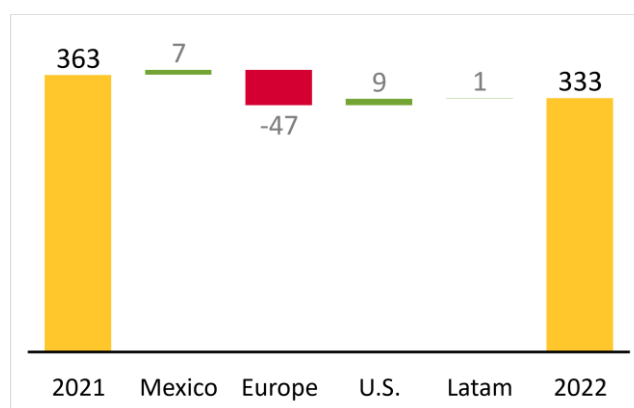
EBITDA was US \$172 million in 2Q22, down 5% year-on-year. Positive results in the Americas were more than offset by higher raw material and energy costs in Europe, as well as lower fresh pork meat sales. Adjusting for Foodservice results, EBITDA declined by 8% year-on-year. In local currency, 2Q22 EBITDA was also down 5%, mainly due to a 59% decrease in Europe that was mostly offset by the positive performance in the rest of the regions (Mexico +2%; the U.S. +15% and Latam +16%).

Accumulated EBITDA was US \$333 million, down 8% versus the same period of 2021. EBITDA Margin during the first half of 2022 was 9.3% versus 10.9% in first half of 2021. In local currency, accumulated EBITDA was down 7% year-on-year.

2Q22 EBITDA (US \$ MILLION)



YTD EBITDA (US \$ MILLION)



Operating Income was US \$116 million in 2Q22, a 9% decrease when compared to US \$127 million in 2Q21, reflecting the EBITDA decrease discussed above. Accumulated Operating Income was US \$228 million, 10% lower year-on-year (see Results by Region - Sigma section).

Comprehensive Financing Expense (CFE) was US \$33 million, down 48% versus US \$64 million in 2Q21, reflecting lower net losses due to exchange rate fluctuations. Accumulated CFE was US \$64 million, down from US \$94 million year-on-year, mainly caused by lower net losses due to exchange rate fluctuations in the first half 2022 versus the first half 2021, related mainly to the Mexican peso.

Net Income was US \$17 million in 2Q22, up 4% year-on-year, as higher taxes offset lower CFE when compared to 2Q21. Net Income for the first half of 2022 decreased by 36% to US \$63 million when compared to the same period in 2021; this was due to higher income taxes that more than offset the lower CFE, year-on-year.

Earnings Report

Second Quarter 2022 (2Q22)



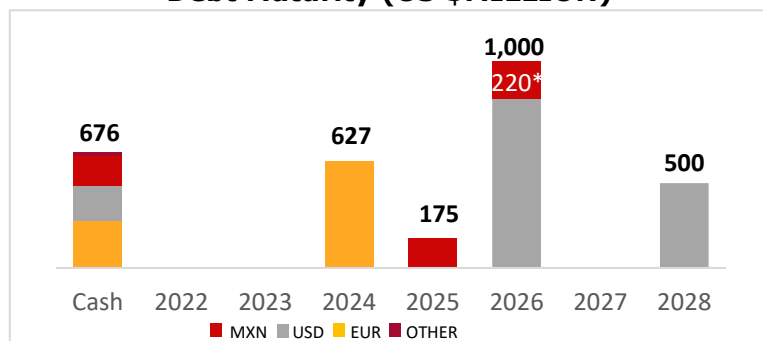
CHANGE IN NET DEBT (US \$ MILLION)

	2Q22	1Q22	2Q21	(%) 2Q22 vs		YTD '22	YTD '21	Ch. %
				1Q22	2Q21			
EBITDA	172	161	182	7	(5)	333	363	(8)
Net Working Capital	(35)	(82)	30	(58)	(216)	(117)	(23)	418
Capital Expenditures & Acquisitions	(69)	(35)	(31)	96	124	(104)	(65)	60
Net Financial Expenses	(28)	(27)	(27)	1	4	(55)	(56)	(1)
Taxes	(25)	(46)	(19)	(46)	31	(70)	(60)	17
Dividends	0	(76)	(51)	(100)	(100)	(76)	(101)	(24)
Other Sources (Uses)	7	2	(31)	198	(122)	9	(31)	(129)
Decrease (Increase) in Net Debt	23	(103)	53	(122)	(57)	(80)	28	(384)

Net Debt was US \$1.772 billion, 3% higher versus 2Q21. On an absolute basis, Net Debt decreased by US \$23 million when compared to 1Q22 despite higher Capex.

Cash totaled US \$676 million in 2Q22, a US \$138 million decrease year-on-year, and US \$22 million lower when compared to 1Q22. Approximately 72% of cash was held in US dollars and euros. Financial ratios at the end of the quarter were: Net Debt to EBITDA of 2.5 times and Interest Coverage of 6.1 times (see Table 13).

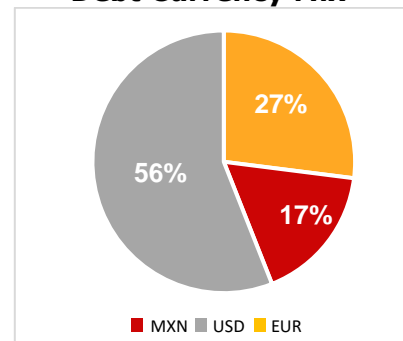
Debt Maturity (US \$MILLION)



*US \$220 million MXN-USD Cross Currency Swap (CCS) agreement for 2026.

Does not include US \$146 million mainly from financial leases, notes payables, and accrued interest.

Debt Currency Mix*



*CCS is included

Net Working Capital investment was US \$35 million during 2Q22, mainly due to inventories amid rising raw material costs, as well as a temporary finished goods stock increase in anticipation of oven replacements in Mexico and the U.S., compared to a US \$30 million gain in 2Q21. Accumulated Net Working Capital investment was US \$117 million, 418% higher when compared to the US \$23 million investment during the same period in 2021. The year-to-date increase is mainly explained by higher raw material and finished goods inventories.

Capital Expenditures & Acquisitions (Capex) totaled US \$69 million during the quarter, 125% higher versus 2Q21. Approximately 65% of 2Q22 Capex was maintenance-related, while the remainder was invested in expansion and optimization projects. Accumulated Capex was US \$104 million, up 61% year-on-year. Capex is expected to accelerate in the second half of 2022 in line with full year guidance.

No **Dividends** were paid during the second quarter. Cumulative 2022 dividends were US \$76 million.

INDUSTRY COMMENTS - SIGMA

Consumer confidence and retail sales

In Mexico, the average consumer confidence figures (per INEGI¹) increased approximately a half point year-on-year reaching 43.9 and remained flat sequentially. Same-store-sales (per ANTAD²) increased an average of 11% year-on-year.

The Foodservice channel in Mexico continued its recovery driven by increased tourism, as well as higher out-of-home consumption. According to data reported by Mexican tourism authorities (DATATUR³), during May of 2022, the average hotel occupancy rate across 70 tourism destinations in Mexico rose by 17% year-on-year (+18% in beaches vs. +16% in cities). In addition, foreign and national tourist arrivals increased 34% and 29%, respectively.

In the United States, the average consumer confidence levels reported by The Conference Board decreased by 19 points to 103.5 versus 2Q21 and was 5 points lower, sequentially. The decrease is explained by growing concern of inflation. In contrast, retail sales reported by the U.S. Census Bureau improved an average of 5% year-on-year.

In Europe, the average consumer confidence reported by the European Commission decreased 17 points year-on-year, the lowest level since the beginning of the COVID-19 pandemic. This was primarily due to the Russia-Ukraine conflict and the highest inflation rate in over 10 years, reaching 8% in May, per Eurostat⁴. Food Retail Sales decreased an average of 3% year-on-year according to data published by Eurostat.

In Latin America, the average consumer figures in countries where Sigma operates remains favorable. For example, in Costa Rica the average consumer confidence (per the School of Statistics from the University of Costa Rica⁵) increased 6.8 points year-on-year reaching 40.3 and decreased 1.8 points, sequentially. In Ecuador, the average consumer confidence figures reported by The Central Bank of Ecuador⁶ increased 2.9 points year-on-year reaching 36.3 and remained flat, sequentially.

¹ Instituto Nacional de Estadística y Geografía - National Statistics and Geography Institute

² Asociación Nacional de Tiendas de Autoservicio y Departamentales - National Association of Supermarkets and Department Stores

³ DataTur - Sistema Nacional de Información Estadística del Sector Turismo de México

⁴ Eurostat - Statistical Office of the European Union

⁵ Universidad de Costa Rica - University of Costa Rica

⁶ Banco Central del Ecuador (BCE) - Central Bank of Ecuador

Earnings Report

Second Quarter 2022 (2Q22)



Exchange Rate

During the quarter, versus the US dollar, the Mexican peso remained flat, and the euro depreciated 11% when compared to 2Q21. Sigma's Latam currency mix experienced a net depreciation effect of approximately 1% year-on-year versus the US dollar.

	2Q22	1Q22	2Q21	(%) 2Q22 vs		YTD '22	YTD '21	Ch. %
				1Q22	2Q21			
Mexico - MXN/USD Avg	20.04	20.52	20.05	(2)	0	20.28	20.18	0
Mexico - MXN/USD EOP	19.98	19.99	19.80	0	1	20.26	20.24	0
EU - USD/EUR Avg	1.07	1.12	1.20	(5)	(11)	1.09	1.2	(9)
EU - USD/EUR EOP	1.05	1.11	1.19	(6)	(12)	1.09	1.2	(10)
Dominican Republic - DOP/USD Avg	55.12	56.04	57.01	(2)	(3)	55.57	57.20	(3)
Dominican Republic - DOP/USD EOP	54.95	54.94	57.15	0	(4)	55.45	57.31	(3)
Peru - PEN/USD Avg	3.77	3.80	3.81	(1)	(1)	3.78	3.72	2
Peru - PEN/USD EOP	3.83	3.70	3.86	4	(1)	3.77	3.75	1
Costa Rica - CRC/USD Avg	667.1	647.04	617.26	5	10	661.73	613.21	8
Costa Rica - CRC/USD EOP	689.13	666.47	620.77	3	11	666.63	615.91	8

Revenues from the Dominican Republic, Peru, Costa Rica and Ecuador represented more than 80% of Latam Revenues. Ecuador is a dollarized economy; therefore, the exchange rate is not included above.

Raw Materials

Average pork ham prices in the U.S. were 1% above 2Q21 and 56%, sequentially, while prices for certain trimmings decreased 14% year-on-year and increased between 11% and 19%, sequentially. Price increases were explained by lower year-to-date pork slaughters and higher feed costs, as well as a seasonality component as production fades into the summer. Still, lower pork export demand, most notably from China, has helped to stem price increases relative to reduced pork production in the U.S.

In Europe, average quarterly pork ham, shoulder and lean hog prices were up 12%, 12% and 14%, year-on-year, and sequentially increased 25%, 25%, and 31%, respectively. The increase in pork prices was mainly explained by fewer market hogs available, higher temperatures throughout key producing regions, and the ongoing impact from the Russia-Ukraine conflict on commodities used as animal feed.

Regarding U.S. poultry prices, turkey breast increased 190% year-on-year and 36%, sequentially. Turkey thigh prices were up 12% versus 2Q21 and remained flat on a sequential basis. Chicken prices were 14% lower year-on-year but increased 28% versus 1Q22. The avian influenza outbreaks in the northern hemisphere have most heavily influenced egg and turkey prices, while robust demand for chicken have supported the market. In addition, tight global supplies remain, amid the ongoing conflict in Europe, which are driving the surge in poultry prices.

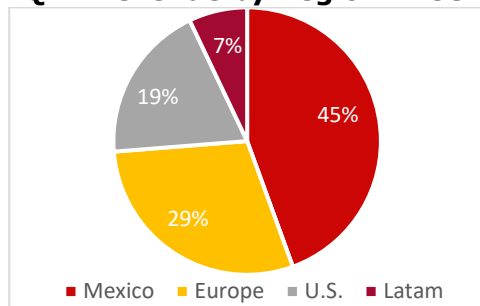
Earnings Report

Second Quarter 2022 (2Q22)

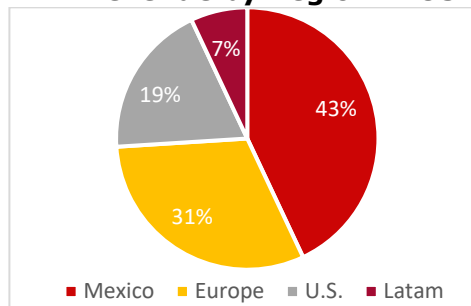
RESULTS BY REGION - SIGMA

During 2Q22, revenues in Mexico accounted for 45% of total revenues; while Europe represented 29%; the U.S. 19%; and Latam 7%. As a portion of Last-Twelve-Month Revenues (LTM), these figures were 43%, 31%, 19%, and 7%, respectively, in each of the regions.

2Q22 Revenue by Region in USD



LTM Revenue by Region in USD



Mexico: In local currency, quarterly Revenues increased by 16% year-on-year. Higher revenues were due to a 10% average price increase, as well as strong demand across product categories, driving volume up 6% year-on-year.

Foodservice channel Revenues, in pesos, increased 26% year-on-year due to strong demand related to higher out-of-home food consumption and effective price increases. Foodservice Revenues were 9% higher versus 2Q19 levels (pre-COVID-19). Excluding Foodservice results, quarterly Revenues, in pesos, increased by 15% year-on-year.

Quarterly EBITDA, in pesos, increased by 2% year-on-year. These results account for higher raw material costs, mainly turkey and milk, as well as higher operating expenses amid the inflationary environment. Foodservice channel EBITDA increased 12% year-on-year and was 32% above the same period of 2019 (pre-COVID-19).

Accumulated Revenues and EBITDA in local currency were Ps \$31,999 million and Ps \$4,195 million, 17% and 4% above the same period of 2021, respectively.

Europe: Quarterly Revenues in euros increased by 5% year-on-year. The increase resulted from higher average prices, up 7% year-on-year, which offset a 2% volume decrease. European Foodservice Revenues increased by 52% year-on-year, supported by higher out-of-home consumption and the recovery in tourism. Adjusting for Foodservice channel results, Revenues increased 2% year-on-year.

The Packaged Meats Business displayed a positive performance with quarterly revenues increasing by 9% year-on-year, driven by higher average prices and volume demand, up 6% and 2%, respectively. The Packaged Meats Business accounted for approximately 80% of European Revenues a similar portion to that of 2Q21.

Earnings Report

Second Quarter 2022 (2Q22)



European EBITDA was down 59% year-on-year, and increased 18% versus 1Q22, in local currency. Results were explained by higher costs and a lower contribution from Campofrío Frescos due to lower volume and a negative mix effect, when compared to 2Q21. The sequential improvement is explained by effective pricing actions in response to cost increases, as well as cost-reduction initiatives. Foodservice channel EBITDA increased 60% year-on-year due to a low comparable base in 2Q21. Adjusting for Campofrío Frescos results, European EBITDA decreased 33% year-on-year.

Accumulated Revenues were €961 million, flat year-on-year. EBITDA was €20 million, 65% lower year-over-year.

United States: Quarterly Revenues increased 21% year-on-year. Results were supported by higher average prices and strong volume, up 15% and 5% year-on-year, respectively. Quarterly EBITDA in the region was 15% higher year-on-year as effective revenue management offset higher raw materials costs and other input cost pressures, as well as a solid demand volume.


Accumulated Revenues and EBITDA were US \$691 million and US \$80 million, 17% and 12% above year-over-year figures, respectively.

Latam: Revenues in local currencies increased 20% year-on-year. Results were due to a 10% average price increase, year-on-year, and 10% higher volume supported by strong demand in the Foodservice channel. Foodservice Revenues increased by 47% year-on-year, supported by higher out-of-home consumption. Adjusting for Foodservice channel results, Revenue increased 15% year-on-year.

Quarterly EBITDA increased 16% year-on-year due to effective pricing actions in response to raw material cost increases and the continued recovery in the Foodservice channel. Foodservice channel EBITDA increased 140% year-on-year. Adjusting for Foodservice channel results, EBITDA decreased 2% year-on-year.

Currency-neutral accumulated Revenues and EBITDA were US \$261 million and US \$25 million, up 18% and 11% year-over-year, respectively.

RECENT DEVELOPMENTS – SIGMA

<p>Credit Ratings</p>	<p>S&P Ratings</p> <ul style="list-style-type: none"> ▶ Jul-22: Revised Sigma’s long-term issuer credit rating outlook to Positive from Stable. This reflected a similar action for ALFA, given Sigma’s BBB stand-alone credit profile (SACP) ▶ Revised and affirmed Sigma’s long-term international BBB- and long term national mxAA+ scale issuer credit rating <p>Moody’s Ratings</p> <ul style="list-style-type: none"> ▶ May-22: Updated credit analysis on Sigma ('Baa3'; Stable Outlook); no rating action was taken. <p>Fitch Ratings</p> <ul style="list-style-type: none"> ▶ Mar-22: Affirmed Sigma’s 'BBB' and 'AAA(mex)' credit ratings. Outlooks are Stable.
<p>Growth BU</p>	<p> Global Plant-Based brand available in 600+ venues across Spain, the U.S. and Mexico</p> <ul style="list-style-type: none"> ▶ Reached 180+ points-of-sale in Mexico, mainly restaurants and hotels ▶ Doubled points-of-sale through agreements with 3 retail chains in Spain <p>Tastech by Sigma® - business accelerator aimed at startups and scaleups around the world, seeking to revolutionize the food industry</p> <ul style="list-style-type: none"> ▶ 900+ startups across 41 countries participated in the first 3 editions ▶ Selection date held on June; 15 startups pitched their business idea <p>Grill House® - premium B2C service app focused on consumers who love to grill</p> <ul style="list-style-type: none"> ▶ Compound monthly growth of 10% since launching ▶ Returning customer rate above 68% ▶ Operations in 7 cities in Mexico
<p>2022 Guidance Update</p>	<ul style="list-style-type: none"> ▶ Sigma’s 2022 EBITDA Guidance was revised to US \$700 million, from US \$760 million reflecting the observed impact of higher costs and lower pork exports in Europe during 1H22. ▶ Inflationary pressures are expected to persist throughout the second half of the year, particularly in Europe. However, estimates consider lower performance in Europe to be partially offset by better-than-expected results in the Americas.
<p>R&D and Innovation</p>	<ul style="list-style-type: none"> ▶ 168 new products launched in 2Q22; 1,700+ in the last 36 months

Sustainability	<ul style="list-style-type: none"> ▼ Initiated a pilot program of 19 fully electric, last-mile delivery and utility vehicles in Mexico as part of its carbon emission reduction efforts ▼ Published the Extended version of the Sustainability Report, focused on the progress made on the 2025 Sustainability Goals ▼ Merco ranked Sigma’s operation in Spain among the top 2 companies with the best corporate reputations in the food sector
Financial Hedging	<ul style="list-style-type: none"> ▼ As of June 2022, currency forward contracts totaled US \$655 million with an average exchange rate of \$21.38 MXN/USD, enough to cover Sigma’s U.S. dollar needs for the next 10 to 12 months
Enhancing Business Independence	<ul style="list-style-type: none"> ▼ Internal Audit and Legal Affairs Departments were brought in-house at Sigma. These activities were previously carried out by ALFA.

(See "Financial Statements" for Sigma 's 2Q22 Balance Sheet and Income Statement)

Earnings Report

Second Quarter 2022 (2Q22)



Alpek (BMV: ALPEKA) – PETROCHEMICALS



58% of ALFA's revenues in 2Q22

SELECTED FINANCIAL INFORMATION (US \$ MILLION)

	2Q22	1Q22	2Q21	(%) 2Q22 vs		YTD '22	YTD '21	Ch. %
				1Q22	2Q21			
Volume (ktons)	1,260	1,216	1,201	4	5	2,476	2,431	2
Polyester	1,011	962	945	5	7	1,973	1,941	2
Plastics & Chemicals	250	254	256	(2)	(3)	503	490	3
Revenues	2,815	2,332	1,849	21	52	5,147	3,463	49
Polyester	1,818	1,521	1,183	19	54	3,339	2,252	48
Plastics & Chemicals	659	615	610	7	8	1,273	1,080	18
EBITDA	507	456	273	11	86	964	597	61
Polyester	347	288	134	20	158	634	318	99
Plastics & Chemicals	156	170	136	(8)	15	326	260	26
Others	5	(2)	3	387	49	3	20	(85)
Comparable EBITDA¹	369	333	225	11	64	702	429	64
Polyester	218	193	102	13	113	411	192	114
Plastics & Chemicals	147	142	120	3	22	288	217	33
Others	5	(2)	3	387	49	3	20	(85)
Capex & Acquisitions²	678	40	132	-	414	718	162	342
Net Debt	1,776	1,310	1,247	36	42	1,776	1,247	42
Net Debt / LTM EBITDA*	1.2	1.0	1.3					
LTM Interest Coverage ^{3*}	14.9	13.4	7.3					

* Times. LTM = Last 12 months

1 Excludes extraordinary items.

2 Gross amount; does not include divestments

3 Interest Coverage = EBITDA/Net Financial Expenses

Volume was 1,260 ktons, up 4% quarter-on-quarter and 5% versus 2Q21. The Polyester segment volume was up 7% year-on-year driven by the recently incorporated operations of OCTAL. The Plastics & Chemicals (P&C) segment was down 3% when compared to 2Q21 as EPS volume growth was more than offset by a decline in polypropylene.

Revenues totaled US \$2.815 billion in 2Q22, up 52% versus 2Q21, due to higher average consolidated prices amid rising oil and feedstock prices.

EBITDA was a record US \$507 million, up 86% versus 2Q21. This figure includes a net gain of US \$138 million from extraordinary items, mainly comprised of inventory adjustment (+US \$80 million) and carry-forward effect (+US \$73 million). For reference, 2Q21 EBITDA benefitted from a net gain of US \$48 million from extraordinary items (see Table 4).

Comparable EBITDA reached a record US \$369 million, up 64% versus 2Q21, due to better-than-expected Polyester, Polypropylene and EPS margins, resilient volume and the consolidation of the OCTAL business.

Capital Expenditures & Acquisitions (Capex) were US \$678 million in 2Q22, including the OCTAL acquisition.

Net Debt was US \$1.776 billion, up 36% and 42% when compared with 1Q22 and 2Q21, respectively. On an absolute basis, Net Debt increased US \$466 million during 2Q22 as the investment in OCTAL was partially offset with solid operating cash generation. Cash balance increased to US \$562 million at the end of the second quarter. At the close of 2Q22, Net Debt to EBITDA was 1.2 times, and Interest Coverage was 14.9 times.

RECENT DEVELOPMENTS - ALPEK

OCTAL Acquisition	<ul style="list-style-type: none"> ▶ Closed the previously announced acquisition of OCTAL, a major global PET sheet producer ▶ Assumed control of operations as of June 1st ▶ Forward-integrates Alpek into the high-value PET sheet business segment and enhances its ability to serve growing PET resin needs ▶ Alpek now owns the proprietary direct-to-sheet (DPET®) technology, resulting in the lowest cost production method for PET sheet ▶ Adds over one million tons of installed capacity to Alpek's existing footprint, spread across the following sites: <ul style="list-style-type: none"> - PET Sheet: 400,000 tons (Salalah Free Zone, Oman) - PET Sheet Recycling: 33,000 tons (Cincinnati, United States) - PET Thermoform Packaging: 11,000 tons (Riyadh, Saudi Arabia) - PET Resin: 576,000 tons (Salalah Free Zone, Oman) ▶ Expected to contribute US \$120 million EBITDA during 2022
2022 Guidance Update	<ul style="list-style-type: none"> ▶ Alpek's 2022 EBITDA Guidance revised upwards based on stronger-than-expected performance year to date, solid margin outlook and OCTAL EBITDA contribution ▶ New 2022 Guidance: <ul style="list-style-type: none"> - Assumptions <ul style="list-style-type: none"> ▪ Average Brent oil reference price: US \$100 per barrel (unchanged) ▪ Asian Integrated PET Reference Margins of US \$370 per ton (up from US \$355 per ton) - EBITDA Guidance <ul style="list-style-type: none"> ▪ Comparable EBITDA: US \$1.475 billion (previous US \$1.250 billion) ▪ Reported EBITDA: US \$1.600 billion (previous US \$1.365 billion)

<p>Emissions Target Approved by the SBTi</p>	<ul style="list-style-type: none"> ▶ Received approval from the Science Based Target initiative (SBTi) for its greenhouse gas (GHG) emissions reduction target ▶ The SBTi Validation Team determined Alpek’s target ambition is in line with the Paris Agreement to combat climate change, limiting warming to well-below 2°C trajectory ▶ Commitment to reduce scope 1 and 2 GHG emissions by 27.5% by 2030 from a 2019 base year ▶ Commitment to reduce scope 3 emissions by 13.5% within the same time frame ▶ Alpek continues its path towards carbon neutrality by 2050
<p>Corpus Christi Polymers (CCP)</p>	<ul style="list-style-type: none"> ▶ CCP is a joint venture between Alpek, Indorama Ventures and Far Eastern New Century, which acquired an integrated PTA-PET plant under construction in Corpus Christi, Texas in 2018 ▶ Construction will resume in August 2022, as agreed by all JV partners ▶ Plant completion expected in early 2025 ▶ Annual capacity of 1.1 and 1.3 million tons of PET and PTA, respectively ▶ Each JV partner has the right to receive one third of the capacity produced at the plant upon completion ▶ Expected to be the most competitive site in the Americas

(See "Appendix – 2Q22 Reports of Listed Businesses" for Alpek’s complete 2Q22 Earnings Report)

Earnings Report

Second Quarter 2022 (2Q22)



Axtel (BMV: AXTELCPO) – IT & TELECOM

axtel



3% of ALFA's Revenues in 2Q22

SELECTED FINANCIAL INFORMATION (US \$ MILLION)

	2Q22	1Q22	2Q21	(%) 2Q22 vs.		YTD '22	YTD '21	Ch. %
				1Q22	2Q21			
Revenues	127	124	149	2	(15)	251	288	(13)
Services - Enterprise	93	90	94	3	(1)	184	187	(2)
Services - Government	9	14	16	(34)	(42)	24	33	(29)
Infrastructure	55	50	69	11	(21)	104	130	(19)
Eliminations	(30)	(30)	(31)	(1)	-	(61)	(61)	-
EBITDA	35	35	57	-	(39)	70	102	(31)
Capex & Acquisitions¹	16	16	17	(4)	(10)	32	31	3
Net Debt	570	585	625	(3)	(9)	570	625	(9)
Net Debt / LTM EBITDA*	3.7	3.3	3.1					
LTM Interest Coverage ^{2*}	3.1	3.4	3.4					

* Times. LTM = Last 12 months

1 Gross amount; does not include divestments

2 Interest Coverage = EBITDA/Net Financial Expenses

Revenues totaled US \$127 million, down 15% year-on-year mainly due to a decrease of 21% in the Infrastructure unit, which was negatively impacted by a decline in dark fiber contract sales and lower revenue contribution from a large wholesale customer. Also, revenues in the Services unit decreased 7% when compared to 2Q21, primarily due to lower revenues in the Government segment. On a currency neutral basis, revenues decreased 15% year-on-year. Accumulated Revenues were US \$251 million, down 13% versus first half 2021 due to lower sales in the Infrastructure unit and the Government Services segment.

EBITDA was US \$35 million, down 39% year-on-year primarily due to a 54% decrease in the Infrastructure unit and a 14% decrease in the Service unit. The drop in Infrastructure unit EBITDA is mostly explained by the aforementioned decrease in revenues. On a currency neutral basis, 2Q22 EBITDA also decreased 39% year-on-year. Accumulated EBITDA was US \$70 million, down 31% year-on-year. On a currency neutral basis, Accumulated EBITDA was also down 31% year-on-year.

Capital Expenditures & Acquisitions (Capex) totaled US \$16 million in 2Q22, compared to US \$17 million in 2Q21. Axtel Networks (Infrastructure unit) accounted for 69% of 2Q22 Capex. Accumulated Capex totaled US \$32 million, up 3% versus the first half of 2021.

Net Debt was US \$570 million at the close of 2Q22, down 9% when compared to 2Q21. On an absolute basis, Net Debt decreased US \$55 million versus 2Q21, resulting from a US \$33 million decrease in gross debt; a US \$2 million non-cash increase in debt caused by a 1% depreciation of the Mexican peso; and a US \$20 million increase in cash. Cash totaled US \$87 million at the end of 2Q22. Financial ratios at the close of 2Q22 were: Net Debt to EBITDA of 3.7 times and Interest Coverage of 3.1 times.

RECENT DEVELOPMENTS - AXTEL

<p>New CEO</p>	<ul style="list-style-type: none"> ▶ Axtel’s Board of Directors appointed Armando de la Peña as CEO ▶ Effective May 1, 2022 ▶ Armando was CEO of Foodservice at Sigma and has held key roles at Alestra, Terza and ALFA Corporate throughout his 19-year career at ALFA
<p>Axtel spin-off</p>	<ul style="list-style-type: none"> ▶ On July 12, ALFA shareholders approved the spin-off of ALFA’s entire ownership stake in Axtel to its shareholders ▶ Controladora Axtel, which is expected to be listed on the Mexican Bolsa, will hold a majority stake of 53.9% in Axtel ▶ Axtel will maintain the same Board of Directors, Management team, policies and internal controls
<p>Strategic Opportunities</p>	<ul style="list-style-type: none"> ▶ Evaluating opportunities for association or joint investments, to accelerate growth in high-performing market segments
<p>2024 Senior Notes</p>	<ul style="list-style-type: none"> ▶ Plans to refinance US \$440 million within the following months ▶ Process focused on refinancing through bank loan alternatives ▶ ALFA is working closely with Axtel in the refinancing process
<p>2022 Guidance Update</p>	<ul style="list-style-type: none"> ▶ Axtel’s 2022 EBITDA Guidance revised downwards based on (i) underperformance in the government segment, (ii) delay in 5G rollout and data center construction in Mexico, (iii) customer project delays caused by global semiconductor shortage, and (iv) a lower contribution from a large wholesale customer who filed for “<i>concurso mercantil</i>” ▶ New 2022 EBITDA Guidance: <ul style="list-style-type: none"> - US \$158 million (previous US \$178 million)

Credit Ratings

- ▼ Axtel's credit ratings were revised following the spin-off announcement. Two rating agencies stated the spin-off was credit neutral for Axtel.

Fitch Ratings

- "ALFA and Subsidiaries' Ratings Unaffected by Axtel spinoff Announcement" (Jun-28)
- "Fitch expects this transaction to also be credit neutral to Axtel..."

Moody's

- Downgraded Axtel's corporate family rating (CFR) to B1 from Ba3 (Jul-08)
- Ratings placed under review for further downgrade

S&P Global Ratings

- "Axtel's Spin-Off from ALFA is In Line With Expectations of the Group's Long Term Strategy" (Jun-28)
- "We don't expect our ratings on Axtel to change in the event ALFA receives the necessary approvals to carry out the spin-off in the coming months"

(See "Appendix - 2Q22 Reports of Listed Businesses" for Axtel's complete 2Q22 Earnings Report)

Earnings Report

Second Quarter 2022 (2Q22)



2Q22 EARNINGS CALL INFORMATION

Date: Thursday, July 21, 2022

Time: 1:00 p.m. EDT (NY) / 12:00 p.m. CDT (CDMX)

By Phone: United States: +1-877-451-6152
International: +1-201-389-0879
Mexico: 800-522-0034

Conference ID: 13731248

Webcast: https://viaid.webcasts.com/starthere.jsp?ei=1558494&tp_key=52759fc818

Replay: <https://www.alfa.com.mx/RI/conference.htm>

About ALFA

ALFA manages a diversified portfolio of leading businesses with global operations: Sigma, a leading multinational food company, focused on the production, marketing and distribution of quality foods through recognized brands in Mexico, Europe, United States and Latin America. Alpek, one of the world's leading producers of polyester (PTA, PET, rPET and fibers), and the leader in the Mexican market for polypropylene and expandable polystyrene (EPS). Axtel, a provider of Information Technology and Communication (ITC) services for the enterprise and government segments in Mexico. In 2021, ALFA reported revenues of Ps. 308,060 million (US \$15.2 billion), and EBITDA of Ps. 41,050 million (US \$2.0 billion). ALFA's shares are quoted on the Mexican Stock Exchange and on Latibex, the market for Latin American shares of the Madrid Stock Exchange. For more information, please visit www.alfa.com.mx

Disclaimer

This release may contain forward-looking information based on numerous variables and assumptions that are inherently uncertain. They involve judgments with respect to, among other things, future economic, competitive and financial market conditions and future business decisions, all of which are difficult or impossible to predict accurately. These uncertainties include, but are not limited to, risks related to the impact of the COVID-19 global pandemic, such as the scope and duration of the outbreak, government actions and restrictive measures implemented in response, availability of workers and contractors due to illness and stay at home orders, supply chain disruptions and other impacts to the business, or on the Company's ability to execute business continuity plans, as a result thereof. Accordingly, results could vary from those set forth in this release. The report presents unaudited financial information. Figures are presented in Mexican Pesos or US dollars, as indicated. Where applicable, Peso amounts were translated into US dollars using the average exchange rate of the months during which the operations were recorded. Financial ratios are calculated in US dollars. Due to the rounding up of figures, small differences may occur when calculating percent changes from one period to the other.

Earnings Report

Second Quarter 2022 (2Q22)



Tables

ALFA

Table 1 | VOLUME AND PRICE CHANGES (%)

	2Q22 vs.		YTD '22 vs.
	1Q22	2Q21	YTD '21
Total Volume	4.1	8.4	6.4
Domestic Volume	3.5	10.8	11.3
Foreign Volume	5.3	4.7	(1.2)
Avg. Ps. Prices	8.1	19.5	19.6
Avg. US \$ Prices	10.8	19.5	19.2

Table 2 | REVENUES

	2Q22	1Q22	2Q21	(%) 2Q22 vs.		YTD '22	YTD '21	Ch. %
				1Q22	2Q21			
Total Revenues								
Ps. Millions	96,873	86,028	74,801	13	30	182,901	143,719	27
US \$ Millions	4,835	4,191	3,731	15	30	9,026	7,119	27
Domestic Revenues								
Ps. Millions	41,369	36,251	30,910	14	34	77,620	58,862	32
US \$ Millions	2,064	1,766	1,542	17	34	3,830	2,917	31
Foreign Revenues								
Ps. Millions	55,504	49,776	43,891	12	26	105,280	84,857	24
US \$ Millions	2,770	2,425	2,189	14	27	5,195	4,203	24
Foreign / Total (%)	57	58	59	(1)	(2)	58	59	(2)

Table 3 | OPERATING INCOME AND EBITDA

	2Q22	1Q22	2Q21	(%) 2Q22 vs.		YTD '22	YTD '21	Ch. %
				1Q22	2Q21			
Operating Income								
Ps. Millions	11,217	10,379	6,825	8	64	21,596	14,561	48
US \$ Millions	560	505	340	11	65	1,065	720	48
EBITDA								
Ps. Millions	14,145	13,213	9,955	7	42	27,358	20,842	31
US \$ Millions	706	644	496	10	42	1,350	1,031	31
EBITDA/Revenues (%)*	14.6	15.4	13.3			15.0	14.5	

*US Dollar denominated EBITDA margin

Earnings Report

Second Quarter 2022 (2Q22)



Table 4 | EXTRAORDINARY ITEMS (US \$ MILLION)

Company	Extraordinary item	2Q22	1Q22	2Q21	YTD '22	YTD '21
Alpek	Inventory gain (loss)	80	63	18	144	81
	Carry forward gain (loss)	73	66	29	139	87
	Others	(15)	(6)	1	(20)	1
	Total Alpek (previous)	66	57	19	123	82
	Total Alpek (with carry-forward)	138	123	48	262	169
ALFA	Total effect on EBITDA (previous)	66	57	19	123	82
	Total effect on EBITDA (with carry-forward)	138	123	48	262	169

Table 5 | COMPARABLE EBITDA (US \$ MILLION)

Company	2Q22	1Q22	2Q21	(%) 2Q22 vs.		YTD '22	YTD '21	Ch. %
				1Q22	2Q21			
ALFA	568	520	449	9	27	1,088	863	26
Alpek	369	333	225	11	64	702	429	64
Sigma	172	161	182	7	(5)	333	363	(8)
Axtel	35	35	57	-	(38)	70	102	(31)
Newpek	0	(0)	(3)	200	109	-	(6)	100
ALFA EBITDA/Revenues (%)	11.7	12.4	12.0			12.1	12.1	

Table 6 | COMPREHENSIVE FINANCING INCOME / EXPENSE (US \$ MILLION)

	2Q22	1Q22	2Q21	(%) 2Q22 vs.		YTD '22	YTD '21	Ch. %
				1Q22	2Q21			
Financial Expenses	(99)	(96)	(89)	(3)	(11)	(194)	(225)	14
Financial Income	12	10	8	15	44	22	16	41
Net Financial Expenses	(87)	(85)	(81)	(2)	(8)	(172)	(210)	18
Exchange Rate Gains (Losses)	(1)	12	2	(111)	(151)	11	(36)	130
Capitalized Comp. Fin. Expense	0	0	0	(3)	(46)	0	0	(42)
Comprehensive Financing Expense	(88)	(73)	(78)	(20)	(13)	(161)	(245)	34
Avg. Cost of Borrowed Funds (%)	4.8	5.1	4.9			5.0	6.3	

Earnings Report

Second Quarter 2022 (2Q22)



Table 7 | NET INCOME (US \$ MILLION)

	2Q22	1Q22	2Q21	(%) 2Q22 vs.		YTD '22	YTD '21	Ch. %
				1Q22	2Q21			
Consolidated Net Income (Loss)	327	292	164	12	100	619	360	72
Minority Interest	84	82	64	3	31	166	107	55
Majority Net Income (Loss)	243	210	99	15	144	453	253	79
Per Share (US dollars)	0.05	0.04	0.02	16	147	0.09	0.05	80
Avg. Outstanding Shares (Millions)	4,879	4,906	4,909			4,892	4,909	

Table 8 | STATEMENT OF FINANCIAL POSITION & FINANCIAL RATIOS

(US \$ MILLION)

	2Q22	1Q22	2Q21	(%) 2Q22 vs.	
				1Q22	2Q21
Assets					
Cash and cash equivalents	1,392	1,290	1,473	8	(5)
Trade accounts receivable	1,821	1,506	1,229	21	48
Inventories	2,921	2,266	1,933	29	51
Other current assets	870	829	791	7	(7)
Total current assets	7,003	5,892	5,425	19	27
Investment in associates and others	456	451	440	1	3
Property, plant and equipment, net	4,680	4,146	4,420	13	6
Goodwill and intangible assets, net	2,037	2,111	2,201	(3)	(7)
Other non-current assets	744	719	833	3	(11)
Total assets	14,920	13,318	13,317	12	11
Liabilities & stockholders' equity					
Debt	621	469	162	32	283
Suppliers	3,266	2,516	2,406	30	36
Other current liabilities	1,157	1,136	972	2	19
Total current liabilities	5,044	4,121	3,540	22	42
Debt (include debt issuance cost)	5,864	5,391	5,788	9	1
Employees' benefits	193	193	238	-	(19)
Other long-term liabilities	877	813	829	8	6
Total liabilities	11,978	10,518	10,396	14	14
Total stockholders' equity	2,942	2,800	2,921	5	1
Total liabilities & stockholders' equity	14,920	13,318	13,317	12	11
Net Debt	5,406	4,906	4,811	10	12
Net Debt/EBITDA*	2.3	2.3	2.6		
Interest Coverage*	6.9	6.4	5.0		

* Times. LTM=Last 12 months

Earnings Report

Second Quarter 2022 (2Q22)



Sigma

Table 9 | SIGMA - VOLUME AND PRICE CHANGES (%)

	2Q22 vs.		YTD '22 vs. YTD '21
	1Q22	2Q21	
Total Volume	5.0	4.0	2.6
Avg. Ps. Prices	1.6	5.3	5.6
Avg. US \$ Prices	4.0	5.4	5.1

Table 10 | SIGMA – REVENUES AND EBITDA IN LOCAL CURRENCY

	2Q22	1Q22	2Q21	(%) 2Q22 vs.		YTD '22	YTD '21	Ch. %
				1Q22	2Q21			
Revenues								
Mexico (Ps. Millions)	16,672	15,326	14,314	9	16	31,999	27,267	17
Europe (€ Millions)	510	451	484	13	5	961	962	-
United States (US \$ Millions)	363	329	300	10	21	691	589	17
Latam (US \$Millions Eq ¹)	133	126	110	5	20	261	221	18
EBITDA								
Mexico (Ps. Millions)	2,202	1,993	2,151	10	2	4,195	4,043	4
Europe (€ Millions)	11	9	26	18	(59)	20	58	(65)
United States (US \$ Millions)	38	42	33	(8)	15	80	71	12
Latam (US \$Millions Eq ¹)	12	12	10	(3)	16	25	22	11

¹US \$ Million equivalent= 2Q22 and 1Q22 financial results in each country are converted into US Dollars at the 2Q21 average exchange rate for each local currency. 2022 accumulated amounts are converted into US Dollars at the 2021 accumulated average exchange rate

Table 11 | SIGMA - OPERATING INCOME

	2Q22	1Q22	2Q21	(%) 2Q22 vs.		YTD '22	YTD '21	Ch. %
				1Q22	2Q21			
Operating Income								
Ps. Millions	2,327	2,297	2,546	1	(9)	4,624	5,124	(10)
US \$ Millions	116	112	127	4	(9)	228	254	(10)

Earnings Report

Second Quarter 2022 (2Q22)



Table 12 | SIGMA - COMPREHENSIVE FINANCING INCOME / EXPENSE (US \$ MILLION)

	2Q22	1Q22	2Q21	(%) 2Q22 vs.		YTD '22	YTD '21	Ch. %
				1Q22	2Q21			
Financial Expenses	(32)	(32)	(30)	2	7	(64)	(61)	5
Financial Income	3	3	2	21	29	6	5	14
Net Financial Expenses	(29)	(29)	(28)	-	5	(58)	(56)	4
Exchange Rate Gains (Losses)	(4)	(2)	(37)	133	(88)	(6)	(38)	(84)
Capitalized Comp. Fin. Expense	0	0	0	-	-	0	0	-
Comprehensive Financing Expense	(33)	(31)	(64)	8	(48)	(64)	(94)	(32)
Avg. Cost of Borrowed Funds (%)	4.6	4.5	4.3			4.5	4.3	

Table 13 | SIGMA - STATEMENT OF FINANCIAL POSITION & FINANCIAL RATIOS (US \$ MILLION)

	2Q22	1Q22	2Q21	(%) 2Q22 vs.	
				1Q22	2Q21
Assets					
Cash and cash equivalents	674	696	811	(3)	(17)
Trade accounts receivable	307	259	238	18	29
Inventories	936	911	843	3	11
Other current assets	311	323	206	(4)	51
Total current assets	2,228	2,189	2,098	2	6
Investment in associates and others	7	8	7	(6)	2
Property, plant and equipment, net	1,493	1,506	1,631	(1)	(8)
Goodwill and intangible assets, net	1,391	1,461	1,548	(5)	(10)
Other non-current assets	145	156	224	(7)	(35)
Total assets	5,265	5,318	5,507	(1)	(4)
Liabilities & stockholders' equity					
Debt	53	54	56	(2)	(6)
Suppliers	1,083	1,053	1,134	3	(5)
Other current liabilities	479	514	367	(7)	30
Total current liabilities	1,615	1,621	1,558	-	4
Debt (include debt issuance cost)	2,385	2,428	2,474	(2)	(4)
Employees' benefits	68	70	93	(3)	(27)
Other long-term liabilities	267	237	225	12	18
Total liabilities	4,335	4,357	4,350	(1)	-
Total stockholders' equity	930	962	1,157	(3)	(20)
Total liabilities & stockholders' equity	5,265	5,318	5,507	(1)	(4)
Net Debt	1,772	1,795	1,728	(1)	3
Net Debt/EBITDA*	2.5	2.5	2.4		
Interest Coverage*	6.1	6.3	6.5		

* Times. LTM=Last 12 months

Earnings Report

Second Quarter 2022 (2Q22)



Financial Statements

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

BALANCE SHEET

Information in millions of Nominal Mexican Pesos

	Jun 22	Mar 22	Jun 21	(% Jun 22 vs.)	
				Mar 22	Jun 21
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents	27,811	25,792	29,160	8	(5)
Trade accounts receivable	36,384	30,116	24,328	21	50
Other accounts and notes receivable	5,215	4,706	5,647	11	(8)
Inventories	58,370	45,311	38,280	29	52
Other current assets	12,180	11,876	10,014	3	22
Total current assets	139,960	117,801	107,429	19	30
Investments in associates and joint ventures	9,104	9,008	8,717	1	4
Property, Plant and equipment	93,524	82,886	87,522	13	7
Intangible assets	40,710	42,202	43,594	(4)	(7)
Other non-current assets	14,883	14,380	16,453	4	(10)
Total assets	298,181	266,277	263,715	12	13
LIABILITIES AND STOCKHOLDERS' EQUITY					
CURRENT LIABILITIES:					
Current portion of long-term debt	9,455	8,676	1,914	9	394
Bank loans and notes payable	2,963	694	1,301	327	128
Suppliers	65,262	50,315	47,646	30	37
Other current liabilities	23,125	22,708	19,237	2	20
Total current liabilities	100,805	82,393	70,098	22	44
LONG-TERM LIABILITIES:					
Long-term debt	117,194	107,782	114,627	9	2
Deferred income taxes	10,037	9,193	9,626	9	4
Other liabilities	7,494	7,068	6,794	6	10
Estimated liabilities for seniority premiums and pension plans	3,857	3,862	4,719	-	(18)
Total liabilities	239,388	210,298	205,864	14	16
STOCKHOLDERS' EQUITY:					
Controlling interest:					
Capital stock	169	169	170	-	(1)
Earned surplus	41,221	39,701	41,568	4	(1)
Total controlling interest	41,391	39,871	41,738	4	(1)
Total Non-controlling interest	17,402	16,109	16,115	8	8
Total stockholders' equity	58,793	55,979	57,852	5	2
Total liabilities and stockholders' equity	298,181	266,277	263,715	12	13
Current ratio	1.4	1.5	1.5		
Debt to equity	4.0	3.7	3.6		

Earnings Report

Second Quarter 2022 (2Q22)



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

INCOME STATEMENT

Information in millions of Nominal Mexican Pesos

	2Q22	1Q22	2Q21	2Q22 vs. (%)	
				1Q22	2Q21
Net sales	96,873	86,028	74,801	13	30
Domestic	41,369	36,251	30,910	14	34
Export	55,504	49,776	43,891	12	26
Cost of sales	(74,921)	(65,314)	(57,872)	(15)	(29)
Gross profit	21,952	20,714	16,930	6	30
Operating expenses and others	(10,735)	(10,335)	(10,104)	(4)	(6)
Operating income	11,217	10,379	6,825	8	64
Comprehensive financing expense, net	(1,760)	(1,501)	(1,564)	(17)	(13)
Equity in income (loss) of associates	10	17	6	(41)	66
Income before the following provision	9,467	8,895	5,267	6	80
Provisions for:					
Income tax	(2,913)	(2,892)	(1,988)	(1)	(47)
Consolidated net income	6,553	6,003	3,279	9	100
Income (loss) corresponding to minority interest	1,690	1,680	1,287	1	31
Net income (loss) corresponding to majority interest	4,863	4,322	1,992	13	144
EBITDA	14,145	13,213	9,955	7	42
Interest coverage*	6.9	6.4	5.0		

* Times. LTM=Last Twelve Months

Earnings Report

Second Quarter 2022 (2Q22)



Sigma Alimentos, S.A. de C.V. and Subsidiaries

BALANCE SHEET

Information in millions of Nominal Mexican Pesos

(%) Jun 22 vs.

ASSETS	Jun 22	Mar 22	Jun 21	Mar 22	Jun 21
CURRENT ASSETS:					
Cash and cash equivalents	13,472	13,915	16,066	(3)	(16)
Restricted cash	0	0	24	-	(100)
Customers, net	6,130	5,184	4,715	18	30
Income tax recoverable	716	818	680	(13)	5
Inventories	18,714	18,209	16,690	3	12
Other current assets	5,495	5,637	3,373	(3)	63
Total current assets	44,527	43,763	41,548	2	7
Property, plant and equipment, net	29,844	30,106	32,290	(1)	(8)
Intangible assets, net	15,035	15,741	16,490	(4)	(9)
Goodwill	12,761	13,462	14,168	(5)	(10)
Deferred income tax	2,014	2,294	3,564	(12)	(43)
Investments in associates and joint ventures	142	151	137	(6)	3
Other non-current assets	891	820	863	9	3
Total non-current assets	60,686	62,574	67,512	(3)	(10)
Total assets	105,212	106,338	109,060	(1)	(4)
LIABILITIES AND STOCKHOLDER'S EQUITY					
CURRENT LIABILITIES:					
Current debt	425	434	445	(2)	(4)
Notes payables	629	642	662	(2)	(5)
Suppliers	21,637	21,055	22,466	3	(4)
Income tax payable	540	882	525	(39)	3
Provisions	69	73	118	(4)	(41)
Other current liabilities	8,969	9,324	6,633	(4)	35
Total current liabilities	32,269	32,410	30,850	-	5
NON-CURRENT LIABILITIES:					
Non-current debt	45,797	46,601	47,007	(2)	(3)
Notes payables	1,872	1,955	1,980	(4)	(5)
Deferred income taxes	4,176	3,602	3,722	16	12
Employees benefits	1,359	1,401	1,842	(3)	(26)
Provisions	75	78	83	(4)	(10)
Income tax payable	1,041	1,024	623	2	67
Other non-current liabilities	35	35	35	-	-
Total non-current liabilities	54,355	54,695	55,292	(1)	(2)
Total liabilities	86,625	87,105	86,141	(1)	1
STOCKHOLDERS' EQUITY:					
Total controlling interest:	18,579	19,232	22,919	(3)	(19)
Total non-controlling interest:	9	0	0	100	100
Total stockholders' equity	18,587	19,232	22,919	(3)	(19)
Total liabilities and stockholders' equity	105,212	106,338	109,060	(1)	(4)

Earnings Report

Second Quarter 2022 (2Q22)



Sigma Alimentos, S.A. de C.V. and Subsidiaries

INCOME STATEMENT

Information in millions of Nominal Mexican Pesos

	2Q22	1Q22	2Q21	2Q22 vs. (%)	
				1Q22	2Q21
Revenue	37,483	35,128	34,229	7	10
Cost of sales	(27,738)	(25,672)	(24,671)	8	12
Gross profit	9,745	9,456	9,557	3	2
Selling expenses	(5,800)	(5,557)	(5,467)	4	6
Administrative expenses	(1,538)	(1,647)	(1,608)	(7)	(4)
Other income (expenses), net	(79)	46	64	(274)	(225)
Operating profit	2,327	2,297	2,546	1	(9)
Comprehensive financial expenses, net	(669)	(637)	(1,289)	5	(48)
Equity in income (loss) of associates	0	0	0	-	-
Profit before income tax	1,658	1,660	1,257	-	32
Provisions for:					
Income tax	(1,316)	(726)	(927)	81	42
Net consolidated profit	342	934	330	(63)	4
Non-controlling interest	0	0	0	-	-
Controlling interest	342	934	330	(63)	4

Appendix - Listed Business 2Q22 Reports

Alpek (BMV: ALPEKAA) – Petrochemicals

Axtel (BMV: AXTELCPO) – IT & Telecom



SECOND QUARTER **2022 RESULTS**

Alpek Posts Comparable EBITDA of U.S. \$369M (Reported EBITDA of U.S. \$507M) *Guidance raised to U.S. \$1,475M due to better-than-expected market conditions and OCTAL*

Monterrey, Mexico – July 20, 2022 – Alpek, S.A.B. de C.V., a leading petrochemical company in the Americas, announced today its second quarter 2022 (2Q22) results.

QUARTERLY HIGHLIGHTS

- Volume increased to 1.26 million tons (+4% QoQ), due to solid demand & incremental volume from OCTAL
- Record-high Comparable EBITDA of U.S. \$369 million (+11% QoQ) due to higher-than-expected margins and incremental EBITDA from OCTAL
- Leverage of 1.2x, caused by higher Net Debt due to the CAPEX from the OCTAL acquisition
- Concluded acquisition of OCTAL, becoming leading global PET Sheet player earlier than anticipated
- Received SBTi approval for its emissions reduction target reaffirming its commitment to combat climate change
- Comparable EBITDA Guidance raised to U.S. \$1,475 million (+18%) due to strong 1H22, solid margins & OCTAL

2Q22 KEY METRICS

(U.S.\$ million, except for volume and production figures)

	2Q22	1Q22	2Q21	QoQ (%)	YoY (%)	YTD22	YTD21	Ch. (%)
Volume¹ (ktons)	1,260	1,216	1,201	4	5	2,476	2,431	2
Polyester	1,011	962	945	5	7	1,973	1,941	2
Plastics & Chemicals	250	254	256	(2)	(3)	503	490	3
Production (ktons)	1,672	1,526	1,526	10	10	3,198	3,146	2
Polyester	1,433	1,277	1,240	12	16	2,710	2,586	5
Plastics & Chemicals	264	249	286	6	(8)	513	560	(8)
Revenues	2,815	2,332	1,849	21	52	5,147	3,463	49
Polyester	1,818	1,521	1,183	19	54	3,339	2,252	48
Plastics & Chemicals	659	615	610	7	8	1,273	1,080	18
EBITDA	507	456	273	11	86	964	597	61
Polyester	347	288	134	20	158	634	318	99
Plastics & Chemicals	156	170	136	(8)	15	326	260	26
Others	5	(2)	3	387	49	3	20	(85)
Comparable EBITDA²	369	333	225	11	64	702	429	64
Polyester	218	193	102	13	113	411	192	114
Plastics & Chemicals	147	142	120	3	22	288	217	33
Others	5	(2)	3	387	49	3	20	(85)
Net Income (Controlling Interest)	303	229	124	32	144	531	245	117
CAPEX	678	40	132	1,594	414	718	162	342
Net Debt	1,776	1,310	1,247	36	42			
Net Debt / EBITDA³	1.2	1.0	1.3					

(1) Excludes intracompany sales (2) Excludes inventories, carry-forward effects, and non-operating, one-time (gains) losses (3) Times: last 12 months

MESSAGE FROM OUR CEO

“Alpek has once again exceeded expectations, setting three new performance records this quarter. We reached our highest ever overall Comparable EBITDA in history, excluding incremental EBITDA from the newly incorporated OCTAL business, as well as the highest ever Comparable EBITDA for both the Polyester and the Plastics & Chemicals segments. Stronger volume was accompanied by higher-than-expected margins for both Polyester and Polypropylene as demand has remained high and elevated marine freight costs have kept them strong. As a result of the record-breaking performance so far this year, and our confidence that 2022 will end favorably, we have upwardly revised the Company’s annual Guidance figures.”

In 2Q22, we surpassed our financial objectives as well as made significant progress in the Company’s long-term strategic growth plan. From a growth perspective, we completed the OCTAL acquisition earlier than expected. This acquisition allows us to continue supplying our PET resin customers as well as enter the high-value PET Sheet market from a strategic location. Moreover, alongside our partners, we have decided to continue construction at the Corpus Christi Polymers site, which will satisfy growing customer demand in upcoming years. Finally, the SBTi approved our emissions reduction target, further ratifying our commitment to combating climate change and upholding the Paris Agreement. We remain committed to reaching carbon neutrality by 2050.”

Overview

The second quarter of 2022 was marked by sustained inflationary pressures. The main impact on the petrochemical industry has been reflected in the rise in Brent crude oil prices to an average of U.S. \$113 dollars per barrel, 16% higher than in 1Q22, closing the quarter at U.S. \$115 dollars per barrel. U.S. average reference paraxylene (“Px”) prices increased even more so, by 41% versus the previous quarter. In Plastics & Chemicals, average reference Propylene prices were U.S. \$0.61 per pound, 4% lower than the U.S. \$0.63 per pound in 1Q22.

Demand for Alpek’s portfolio of products has remained strong despite rising prices. Marine freight costs and vessel availability remain under pressure to balance global supply and demand, although they have started to gradually decline. Asian integrated Polyester reference margins remained at high levels averaging U.S. \$410 dollars per ton in 2Q22 (-2% QoQ), surpassing expectations this quarter. Meanwhile, reference Polypropylene margins increased to an average of U.S. \$0.39 per pound (+3% QoQ), as demand for polypropylene remained high and supply was tight.

OCTAL

Alpek finalized the acquisition of OCTAL Holding SAOC (OCTAL), a high-value PET Sheet business earlier than anticipated, assuming operational control as of June 1, 2022. This includes a main production facility with both PET Sheet and Resin in Salalah Free Zone, Oman, a PET Sheet Recycling facility in Cincinnati, USA and a PET Thermoform Packaging facility in Riyadh, Saudi Arabia.



José de Jesús Valdez

CEO

These assets will allow Alpek to continue serving increasing demand for its PET Resin business while entering the PET Sheet market, which has an expected annual growth rate of 6%. Furthermore, the strategic locations will allow Alpek low-cost raw material procurement and access to existing and new clients across the Americas, the Middle East, northern Africa, and Europe. The addition of PET Sheet to Alpek's portfolio, brings opportunity to vertically integrate it into our existing PET facilities in the future. Finally, OCTAL's DPET® proprietary technology for PET Sheet will generate a product with a 25% lower carbon footprint than the rest of the industry.

Corpus Christi Polymers

Earlier this week, Alpek announced that the partners of Corpus Christi Polymers (CCP) will resume construction of the PTA-PET site in August of this year, with an expected completion date in early 2025. CCP is a joint venture whereby each of the three partners, Alpek, Indorama Ventures and Far Eastern New Century, will have access to one third of the annual capacity, which is 1.1 million tons and 1.3 million tons of PET and PTA, respectively. For Alpek, this is equivalent to approximately 367,000 tons of PET and 433,000 tons of PTA. This is expected to be the most competitive site in the Americas and will allow Alpek to continue supplying increasing customer demand.

SBTi Approval

On July 7, Alpek announced that it has received approval from the Science Based Target initiative (SBTi) for its ESG target related to carbon emissions reduction. The SBTi's Target Validation Team has classified the Company's scope 1 and 2 target ambition and has determined that it is in line with limiting warming to well-below the 2°C trajectory, which guarantees the Company's efforts to combat climate change. As part of the science-based target, "Alpek commits to reduce absolute scope 1 and 2 greenhouse gas (GHG) emissions by 27.5% by 2030 from a 2019 base year. Alpek also commits to reduce scope 3 emissions by 13.5% within the same time frame".

This reaffirms Alpek's emissions reduction target as feasible and well-aligned with the Paris Agreement. Alpek is confident that by transitioning to fully renewable electricity sources, improving its energy usage, and generating emission-free steam, among other initiatives, it will be well on its way to meet its targets and continue its path towards carbon neutrality by 2050.

Revised Guidance & Outlook

Alpek originally provided 2022 Guidance figures based on prevalent market conditions at the beginning of the year. Having observed higher-than-expected margins for PET, PP and EPS during the first half of the year, as well as positive expectations for 2H22, and year-to-date results, the Company has decided to update Guidance figures and key assumptions. Revised 2022 Guidance also includes expectations for the OCTAL business to contribute EBITDA of approximately US \$120 million.

In the Polyester segment, we expect solid Asian integrated reference margins throughout 2022, with levels normalizing gradually over the second half of the year. In the Plastics & Chemicals segment, Polypropylene and EPS margins should have a stronger performance than originally expected for 2022. Accordingly, we maintain a positive outlook for the remainder of 2022.

Key assumptions for the new Guidance figures are based on:

- Average Brent crude oil reference price of U.S. \$100 per barrel (unchanged)
- Asian Integrated PET Reference Margins of U.S. \$370 per ton (up from U.S. \$355 per ton)

	Revised 2022 Guidance (US\$M)	Change (% vs. '21)	Previous 2022 Guidance (US\$M)	Change (% vs. Prev.)
Reported EBITDA	U.S. \$1,600M	40	U.S. \$1,365M	17
Comparable EBITDA	U.S. \$1,475M	53	U.S. \$1,250M	18

Figures for volume and CAPEX remain unchanged.

Alpek will discuss its Guidance in further detail during its 2Q22 Webcast.

FINANCIAL RESULTS

EBITDA
 (U.S.\$ million)

	2Q22	1Q22	2Q21	QoQ (%)	YoY (%)	YTD22	YTD21	Ch. (%)
Reported EBITDA	507	456	273	11	86	964	597	61
Inventory Adjustment	(80)	(63)	(18)	(27)	(355)	(144)	(81)	(78)
Carry-forward effect	(73)	(66)	(29)	(10)	(149)	(139)	(87)	(59)
Others	15	6	(1)	147	1,449	20	(1)	2,717
Comparable EBITDA	369	333	225	11	64	702	429	64

Comparable EBITDA reached a record U.S. \$369 million, 11% higher quarter-on-quarter and 64% higher year-on-year, driven by better-than-expected margins across all products, solid volume for both segments, and the recent consolidation of the OCTAL business.

Reported EBITDA reached a record U.S. \$507 million, 11% higher versus 1Q22 and 86% higher versus 2Q21, due to a positive inventory adjustment of U.S. \$80 million and a positive carry-forward effect of U.S. \$73 million generated by rising crude oil prices and an even greater increase of paraxylene prices.

INCOME STATEMENT

(U.S.\$ million)

	2Q22	1Q22	2Q21	QoQ (%)	YoY (%)	YTD22	YTD21	Ch. (%)
Total Revenues	2,815	2,332	1,849	21	52	5,147	3,463	49
Gross Profit	539	484	284	11	90	1,024	618	66
Operating expenses and others	(86)	(79)	(63)	(9)	(37)	(165)	(124)	(33)
Operating Income	454	405	221	12	105	859	494	74
Financial cost, net	(25)	(35)	(19)	29	(34)	(60)	(93)	35
Share of losses of associates	(1)	-	(1)	(95)	(15)	(1)	-	(185)
Income tax	(92)	(102)	(43)	10	(116)	(195)	(89)	(119)
Consolidated Net Income	335	267	159	26	111	603	311	93
Controlling interest	303	229	124	32	144	531	245	117

Revenues for the second quarter totaled a record U.S. \$2.815 billion, 21% higher than 1Q22 and 52% higher than 2Q21, due to higher overall average consolidated prices as well as strong consolidated volume.

Net Income attributable to the Controlling Interest for the second quarter of 2022 was U.S. \$303 million, compared to U.S. \$229 million in 1Q22, primarily due to a higher operating income.

CASH FLOW

(U.S.\$ million)

	2Q22	1Q22	2Q21	QoQ (%)	YoY (%)	YTD22	YTD21	Ch. (%)
EBITDA	507	456	273	11	86	964	597	61
Net Working Capital & Others	(238)	(193)	6	(24)	(4,415)	(431)	(187)	(131)
CAPEX	(678)	(40)	(132)	(1,594)	(414)	(718)	(162)	(342)
Financial Expenses	(32)	(30)	(25)	(9)	(31)	(62)	(91)	32
Income Tax	(94)	(74)	(32)	(27)	(190)	(168)	(76)	(121)
Dividends	(1)	(213)	(128)	100	100	(213)	(151)	(41)
Other Sources / Uses	69	8	11	726	542	77	9	785
Decrease (Increase) in Net Debt	(466)	(85)	28	(452)	(1,568)	(551)	(62)	(795)

Net Working Capital (NWC) increased by U.S. \$238 million due to higher raw material prices during the quarter stemming from the continuation of the economic situation.

CAPEX for the quarter totaled U.S. \$678 million, mainly allocated to the OCTAL acquisition in May, and in line with Guidance.

Income Tax during 2Q22 was U.S. \$94 million, 27% higher versus the previous quarter as it includes the remaining portion of fiscal payments for the year.

NET DEBT & LEVERAGE

(U.S.\$ million)

	2Q22	1Q22	2Q21	QoQ (%)	YoY (%)
Net Debt	1,776	1,310	1,247	36	42
EBITDA (LTM)	1,512	1,277	977	18	55
Net Debt / EBITDA (LTM)	1.2	1.0	1.3		

Consolidated Net Debt as of June 30, 2022, was U.S. \$1.776 billion, up 36% and 42% QoQ and YoY, respectively. Gross Debt was U.S. \$2.339 billion, and Cash increased to U.S. \$562 million. Financial ratios for the quarter were: Net Debt to EBITDA of 1.2x and Interest Coverage of 14.9x, with Leverage increasing slightly due to the OCTAL acquisition.

RESULTS BY BUSINESS SEGMENT: POLYESTER

(Purified Terephthalic Acid (PTA), Polyethylene Terephthalate (PET), rPET, Polyester fibers – 63% of Alpek's Net Sales)

QUARTERLY HIGHLIGHTS

- Volume of 1.01 million tons (+5% QoQ) increased mainly due to the newly incorporated OCTAL business
- Higher-than-expected average reference Integrated Asian PET margins of U.S. \$410 per ton (-2% QoQ)
- Record Polyester Comparable EBITDA of U.S. \$218 million (+13% QoQ) from strong margins and solid volume
- Polyester Reported EBITDA of U.S. \$347 million (+20% QoQ), with an inventory gain (U.S. \$84 million) and a positive carry-forward effect (U.S. \$60 million)

KEY METRICS - POLYESTER (U.S.\$ million, except volume and production)	2Q22	1Q22	2Q21	QoQ (%)	YoY (%)	YTD22	YTD21	Ch. (%)
Volume (ktons)	1,011	962	945	5	7	1,973	1,941	2
Production (ktons)	1,433	1,277	1,240	12	16	2,710	2,586	5
Revenues	1,818	1,521	1,183	19	54	3,339	2,252	48
Reported EBITDA	347	288	134	20	158	634	318	99
Inventories	(84)	(56)	(14)	(49)	(514)	(141)	(64)	(120)
Carry-forward effect	(60)	(49)	(17)	(22)	(247)	(108)	(62)	(75)
Others	15	10	(1)	47	1,605	25	(1)	3,741
Comparable EBITDA	218	193	102	13	113	411	192	114

Polyester Volume was 1,011 ktons in 2Q22, 5% higher quarter-on-quarter due to sustained high demand, and the recently incorporated PET Sheet and PET Resin facilities in Oman, Saudi Arabia and U.S.A., still in line with our estimates. When excluding the incremental volume from our recently acquired PET business, volume was down 2% QoQ and flat YoY due to scheduled maintenance at one of our facilities.

Polyester Comparable EBITDA reached a record high for any quarter of U.S. \$218 million, 13% higher QoQ and 113% higher YoY. This was due to solid volume and resilient Asian integrated Polyester reference margins, which averaged U.S. \$410 dollars per ton.

Brent Crude oil prices increased by 16%, while average U.S. reference paraxylene ("Px") prices rose by 41% QoQ. This resulted in a non-cash **inventory gain** of U.S. \$84 million and a **positive carry-forward effect** of U.S. \$60 million in 2Q22.

Polyester Reported EBITDA was U.S. \$347 million, up 20% versus 1Q22, given the positive inventory and carry-forward effects of the quarter.

RESULTS BY BUSINESS SEGMENT: PLASTICS & CHEMICALS (P&C)

(Polypropylene (PP), Expandable Polystyrene (EPS), Other products – 27% of Alpek's Net Sales)

QUARTERLY HIGHLIGHTS

- Volume of 250 ktons in 2Q22 (-2% QoQ) as the increase in EPS was more than offset by the decline in PP volume
- Reference Polypropylene margins increased to U.S. \$0.39 per pound (+3% QoQ) due to tight market conditions
- Record P&C Comparable EBITDA of U.S. \$147 million (+3% QoQ) as increased PP margins offset EPS margins' decline
- Reported EBITDA of U.S. \$156 million (-8% QoQ), due to inventory loss (U.S. -\$4 million) and a positive carry-forward effect (U.S. \$13 million)

KEY METRICS – P&C (U.S.\$ million, except volume and production)	2Q22	1Q22	2Q21	QoQ (%)	YoY (%)	YTD22	YTD21	Ch. (%)
Volume (ktons)	250	254	256	(2)	(3)	503	490	3
Production (ktons)	264	249	286	6	(8)	513	560	(8)
Revenues	659	615	610	7	8	1,273	1,080	18
Reported EBITDA	156	170	136	(8)	15	326	260	26
Inventories	4	(7)	(4)	156	195	(3)	(17)	82
Carry-forward effect	(13)	(17)	(12)	25	(8)	(30)	(25)	(19)
Others	-	(4)	-	89	(490)	(5)	-	(5,323)
Comparable EBITDA	147	142	120	3	22	288	217	33

P&C Volume was 250 ktons, down 2% QoQ and 3% YoY, as slightly lower PP demand offset higher EPS volume.

P&C Comparable EBITDA was U.S. \$147 million, up 3% and 22% compared to 1Q22 and 2Q21, respectively. This was due to higher PP margins offsetting a decrease in EPS margins and sustained strong demand.

Propylene prices averaged U.S. \$0.61 per pound, down 4% versus 1Q22, resulting in a non-cash **inventory loss** of U.S. -\$4 million and **positive carry-forward effect** of U.S. \$13 million.

P&C Reported EBITDA was U.S. \$156 million during the quarter, down 8% QoQ and up 15% YoY, mostly due to the positive combined carry-forward and inventory effect.

ABOUT ALPEK

Alpek is a leading petrochemical company operating two business segments: “Polyester” (PTA, PET, rPET, and polyester fibers), and “Plastics & Chemicals” (polypropylene, expandable styrenics, and other specialty and industrial chemicals). Alpek is a leading producer of PTA, PET Resin and PET Sheet worldwide, a leading rPET producer in the Americas, the third-largest expandable polystyrene manufacturer worldwide, and the only producer of polypropylene in Mexico.

NOTE ON FORWARD LOOKING STATEMENTS

This release contains forward-looking information based on numerous variables and assumptions that are inherently uncertain. They involve judgments with respect to, among other things, future economic, competitive, and financial market conditions and future business decisions, all of which are difficult or impossible to predict accurately. Accordingly, results could vary from those set forth in this release. The report presents unaudited financial information based on International Financial Reporting Standards (IFRS). Figures are stated in nominal Mexican pesos (\$) and in current U.S. dollars (U.S. \$), as indicated. Where applicable, peso amounts were translated into U.S. dollars using the average exchange rate of the months during which operations were recorded. Financial ratios are calculated in U.S. dollars. Due to the rounding up of figures, small differences may occur when calculating percent changes from one period to the other.

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APPENDIX A – ADDITIONAL FINANCIAL INFORMATION

TABLE 1 PRICE CHANGES (%)	QoQ (%)	YoY (%)	Ch. (%)
Polyester			
Avg. Ps. Prices	11	44	46
Avg. U.S. \$ Prices	14	44	46
Plastics & Chemicals			
Avg. Ps. Prices	6	11	15
Avg. U.S. \$ Prices	9	11	15
Total			
Avg. Ps. Prices	14	45	46
Avg. U.S. \$ Prices	16	45	46

TABLE 2 REVENUES	2Q22	1Q22	2Q21	QoQ (%)	YoY (%)	YTD22	YTD21	Ch. (%)
Total Revenues								
Ps. Million	56,397	47,877	37,077	18	52	104,274	69,907	49
U.S. \$ Million	2,815	2,332	1,849	21	52	5,147	3,463	49
Domestic Revenues								
Ps. Million	21,763	17,965	13,189	21	65	39,728	24,947	59
U.S. \$ Million	1,086	875	658	24	65	1,961	1,236	59
Foreign Revenues								
Ps. Million	34,634	29,912	23,888	16	45	64,546	44,960	44
U.S. \$ Million	1,729	1,457	1,191	19	45	3,186	2,227	43
Foreign / Total (%)	61	62	64			62	64	

TABLE 3 OP. INCOME AND EBITDA	2Q22	1Q22	2Q21	QoQ (%)	YoY (%)	YTD22	YTD21	Ch. (%)
Operating Income								
Ps. Million	9,088	8,316	4,437	9	105	17,404	9,983	74
U.S. \$ Million	454	405	221	12	105	859	494	74
EBITDA								
Ps. Million	10,166	9,368	5,481	9	85	19,534	12,075	62
U.S. \$ Million	507	456	273	11	85	964	597	61

TABLE 4 COMPARABLE EBITDA	2Q22	1Q22	2Q21	QoQ (%)	YoY (%)	YTD22	YTD21	Ch. (%)
EBITDA								
Ps. Million	10,166	9,368	5,481	9	85	19,534	12,075	62
U.S. \$ Million	507	456	273	11	86	964	597	61
Adjustments*								
Ps. Million	(2,771)	(2,553)	(959)	(9)	(189)	(5,325)	(3,419)	(56)
U.S. \$ Million	(138)	(123)	(48)	(12)	(189)	(262)	(169)	(55)
Comparable EBITDA								
Ps. Million	7,395	6,814	4,522	9	64	14,209	8,656	64
U.S. \$ Million	369	333	225	11	64	702	429	64

*Inventory adjustments, carry-forward effects, and non-operating, one-time (gains) losses

TABLE 5 IFRS 16 EFFECT (U.S.\$ million)	2Q22	1Q22	2Q21	QoQ (%)	YoY (%)	YTD22	YTD21	Ch. (%)
Income Statement								
Amortization	11	12	12	(3)	(1)	23	23	1
Financial Expense	3	2	2	10	26	5	4	21
Net Debt	20	7	6	173	256	27	14	89
Balance Sheet								
Assets - Right of use	175	172	142	2	23			
Liabilities								
Short-term lease	42	43	38	(1)	11			
Long-term lease	140	133	106	5	32			

TABLE 6 FINANCIAL COST, NET (U.S.\$ million)	2Q22	1Q22	2Q21	QoQ (%)	YoY (%)	YTD22	YTD21	Ch. (%)
Financial Expenses	(30)	(37)	(28)	18	(7)	(68)	(96)	29
Financial Income	11	6	5	90	131	17	9	97
Net Financial Expenses	(19)	(32)	(24)	39	18	(51)	(87)	42
Fx Gains (Losses)	(6)	(4)	5	(51)	(219)	(10)	(6)	(62)
Financial Cost, Net	(25)	(35)	(19)	29	(34)	(60)	(93)	35

TABLE 7 NET INCOME (U.S.\$ million, except as noted)	2Q22	1Q22	2Q21	QoQ (%)	YoY (%)	YTD22	YTD21	Ch. (%)
Consolidated Net Income	335	267	159	26	111	603	311	93
Non-Controlling Interest	33	38	35	(14)	(7)	71	67	7
Controlling Interest	303	229	124	32	144	531	245	117
Earnings per Share (U.S. \$)	0.14	0.11	0.06	32	145	0.25	0.12	117
Avg. Outstanding Shares (million)*	2,108	2,110	2,112	-	-	2,109	2,112	-

*The same number of equivalent shares are considered in the periods presented

TABLE 8 STATEMENT OF FINANCIAL POSITION & FINANCIAL RATIOS (U.S.\$ million)	2Q22	1Q22	2Q21	QoQ (%)	YoY (%)
Assets					
Cash and cash equivalents	562	418	476	34	18
Trade accounts receivable	1,411	1,132	866	25	63
Inventories	1,962	1,331	1,068	47	84
Other current assets	360	338	373	6	(3)
Total current assets	4,296	3,219	2,783	33	54
Investment in associates and others	452	447	438	1	3
Property, plant and equipment, net	2,497	1,936	2,025	29	23
Goodwill and intangible assets, net	160	162	176	(1)	(9)
Other non-current assets	544	523	530	4	3
Total assets	7,948	6,287	5,952	26	34
Liabilities and stockholders' equity					
Debt	204	118	50	73	308
Suppliers	2,046	1,323	1,125	55	82
Other current liabilities	408	356	288	15	42
Total current liabilities	2,658	1,798	1,463	48	82
Debt (include debt issuance costs)	1,941	1,426	1,520	36	28
Employees' benefits	51	50	67	1	(25)
Other long-term benefits	463	422	416	9	11
Total liabilities	5,113	3,695	3,466	38	48
Total stockholders' equity	2,835	2,592	2,486	9	14
Total liabilities and stockholders' equity	7,948	6,287	5,952	26	34
Net Debt	1,776	1,310	1,247	36	42
Net Debt / EBITDA*	1.2	1.0	1.3		
Interest Coverage*	14.9	13.4	7.3		

* Period: last 12 months

POLYESTER

TABLE 9 REVENUES	2Q22	1Q22	2Q21	QoQ (%)	YoY (%)	YTD22	YTD21	Ch. (%)
Total Revenues								
Ps. Million	36,420	31,232	23,720	17	54	67,652	45,462	49
U.S. \$ Million	1,818	1,521	1,183	19	54	3,339	2,252	48
Domestic Revenues								
Ps. Million	8,377	7,330	5,349	14	57	15,706	9,793	60
U.S. \$ Million	418	357	267	17	57	775	485	60
Foreign Revenues								
Ps. Million	28,044	23,902	18,371	17	53	51,946	35,669	46
U.S. \$ Million	1,400	1,164	916	20	53	2,564	1,767	45
Foreign / Total (%)	77	77	77			77	78	

TABLE 10 OP. INCOME AND EBITDA	2Q22	1Q22	2Q21	QoQ (%)	YoY (%)	YTD22	YTD21	Ch. (%)
Operating Income								
Ps. Million	6,089	5,092	1,917	20	218	11,181	4,878	129
U.S. \$ Million	304	248	96	23	218	552	241	129
EBITDA								
Ps. Million	6,942	5,910	2,690	17	158	12,852	6,438	100
U.S. \$ Million	347	288	134	20	158	634	318	99

TABLE 11 COMPARABLE EBITDA	2Q22	1Q22	2Q21	QoQ (%)	YoY (%)	YTD22	YTD21	Ch. (%)
EBITDA								
Ps. Million	6,942	5,910	2,690	17	158	12,852	6,438	100
U.S. \$ Million	347	288	134	20	158	634	318	99
Adjustments*								
Ps. Million	(2,578)	(1,974)	(640)	(31)	(303)	(4,552)	(2,573)	(77)
U.S. \$ Million	(129)	(95)	(32)	(32)	(303)	(224)	(127)	(77)
Comparable EBITDA								
Ps. Million	4,364	3,937	2,050	11	113	8,301	3,865	115
U.S. \$ Million	218	193	102	13	113	411	192	114

*Inventory adjustments, carry-forward effects, and non-operating, one-time (gains) losses

PLASTICS & CHEMICALS

TABLE 12 REVENUES	2Q22	1Q22	2Q21	QoQ (%)	YoY (%)	YTD22	YTD21	Ch. (%)
Total Revenues								
P.s. Million	13,198	12,615	12,220	5	8	25,813	21,809	18
U.S. \$ Million	659	615	610	7	8	1,273	1,080	18
Domestic Revenues								
P.s. Million	6,648	6,657	6,727	-	(1)	13,306	12,592	6
U.S. \$ Million	332	324	336	2	(1)	656	624	5
Foreign Revenues								
P.s. Million	6,550	5,957	5,493	10	19	12,508	9,217	36
U.S. \$ Million	327	290	274	13	19	617	457	35
Foreign / Total (%)	50	47	45			48	42	

TABLE 13 OP. INCOME AND EBITDA	2Q22	1Q22	2Q21	QoQ (%)	YoY (%)	YTD22	YTD21	Ch. (%)
Operating Income								
P.s. Million	2,905	3,258	2,457	(11)	18	6,163	4,703	31
U.S. \$ Million	145	159	123	(9)	18	304	233	30
EBITDA								
P.s. Million	3,130	3,491	2,727	(10)	15	6,621	5,236	26
U.S. \$ Million	156	170	136	(8)	15	326	260	26

TABLE 14 COMPARABLE EBITDA	2Q22	1Q22	2Q21	QoQ (%)	YoY (%)	YTD22	YTD21	Ch. (%)
EBITDA								
P.s. Million	3,130	3,491	2,727	(10)	15	6,621	5,236	26
U.S. \$ Million	156	170	136	(8)	15	326	260	26
Adjustments*								
P.s. Million	(193)	(580)	(319)	67	39	(773)	(847)	9
U.S. \$ Million	(10)	(28)	(16)	66	40	(38)	(42)	10
Comparable EBITDA								
P.s. Million	2,937	2,911	2,408	1	22	5,848	4,389	33
U.S. \$ Million	147	142	120	3	22	288	217	33

*Inventory adjustments, carry-forward effects, and non-operating, one-time (gains) losses

APPENDIX B – FINANCIAL STATEMENTS
**ALPEK, S.A.B. DE C.V. and Subsidiaries
CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Jun-22	Mar-22	Jun-21	QoQ (%)	YoY (%)
(millions of Mexican pesos)					
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents	10,732	8,353	9,381	28	14
Restricted cash	508	13	52	3,862	875
Trade accounts receivable	28,204	22,629	17,155	25	64
Other accounts and notes receivable	4,702	4,137	4,888	14	(4)
Inventories	39,208	26,607	21,148	47	85
Other current assets	2,499	2,629	2,493	(5)	-
Total current assets	85,853	64,368	55,117	33	56
NON-CURRENT ASSETS:					
Investment in associates and others	9,029	8,941	8,676	1	4
Property, plant and equipment, net	49,895	38,706	40,098	29	24
Goodwill and intangible assets	3,196	3,237	3,479	(1)	(8)
Other non-current assets	10,867	10,453	10,486	4	4
Total assets	158,840	125,705	117,856	26	35
LIABILITIES AND STOCKHOLDERS' EQUITY					
CURRENT LIABILITIES:					
Debt	4,079	2,364	992	73	311
Suppliers	40,881	26,458	22,274	55	84
Other current liabilities	8,168	7,113	5,704	15	43
Total current liabilities	53,128	35,935	28,970	48	83
NON-CURRENT LIABILITIES:					
Debt (includes debt issuance cost)	38,800	28,502	30,099	36	29
Deferred income taxes	4,669	4,412	4,650	6	-
Other non-current liabilities	4,573	4,023	3,581	14	28
Employee benefits	1,015	1,009	1,335	1	(24)
Total liabilities	102,185	73,881	68,635	38	49
STOCKHOLDERS' EQUITY:					
Controlling interest:					
Capital stock	6,020	6,027	6,034	-	-
Share premium	8,908	8,971	9,015	(1)	(1)
Contributed capital	14,928	14,998	15,049	-	(1)
Earned surplus	35,324	31,066	28,236	14	25
Total controlling interest	50,252	46,064	43,285	9	16
Non-controlling interest	6,403	5,760	5,936	11	8
Total stockholders' equity	56,655	51,824	49,221	9	15
Total liabilities and stockholders' equity	158,840	125,705	117,856	26	35

ALPEK, S.A.B. DE C.V. and Subsidiaries
CONSOLIDATED STATEMENT OF INCOME

	2Q22	1Q22	2Q21	QoQ (%)	YoY (%)	YTD22	YTD21	Ch. (%)
(millions of Mexican pesos)								
Revenues	56,397	47,877	37,077	18	52	104,274	69,907	49
Domestic	21,763	17,965	13,189	21	65	39,728	24,947	59
Export	34,634	29,912	23,888	16	45	64,546	44,960	44
Cost of sales	(45,590)	(37,937)	(31,381)	(20)	(45)	(83,527)	(57,423)	(45)
Gross profit	10,807	9,940	5,696	9	90	20,747	12,484	66
Operating expenses and others	(1,719)	(1,624)	(1,259)	(6)	(37)	(3,343)	(2,501)	(34)
Operating income	9,088	8,316	4,437	9	105	17,404	9,983	74
Financial result, net	(501)	(727)	(374)	31	(34)	(1,228)	(1,905)	36
Equity in income of associates and joint ventures	(15)	(7)	(13)	(91)	(15)	(22)	(8)	(192)
Income before taxes	8,572	7,852	4,050	13	112	16,154	8,070	100
Income taxes	(1,854)	(2,100)	(860)	12	(116)	(3,954)	(1,791)	(121)
Consolidated net income	6,718	5,482	3,190	23	111	12,200	6,279	94
Income attributable to Controlling interest	6,058	4,698	2,484	29	144	10,756	4,936	118
Income attributable to Non-controlling interest	660	784	706	(16)	(7)	1,444	1,343	8

EARNINGS REPORT

Second Quarter 2022 (2Q22)



Monterrey, Mexico, July 20, 2022. - Axtel, S.A.B. de C.V. (BMV: AXTELCPO) ("Axtel" or "the Company"), a Mexican Information and Communications Technology company, announced today its unaudited results for the second quarter of 2022 ("2Q22").

Axtel reports 2Q22 EBITDA of US \$35 million (Ps. 701 million)

SELECTED FINANCIAL INFORMATION

(IN MILLIONS)

	2Q22	1Q22	2Q21	(% 2Q22 vs.)		YTD'22	YTD'21	YTD Δ (%)
				1Q22	2Q21			
Revenues (Ps.)	2,544	2,547	2,983	(0)	(15)	5,091	5,818	(13)
US \$	127	124	149	2	(15)	251	288	(13)
EBITDA (Ps.) ¹	701	717	1,141	(2)	(39)	1,418	2,057	(31)
US \$	35	35	57	0	(39)	70	102	(31)
Net Income (loss) (Ps.)	(171)	111	344	--	--	(60)	58	--
US \$	(9)	5	17	--	--	(3)	3	--
CAPEX (Ps.) ²	313	333	349	(6)	(10)	645	623	4
US \$	16	16	17	(4)	(10)	32	31	3
Net Debt (US \$)	570	585	625	(3)	(9)			
Net Debt / LTM EBITDA*	3.7	3.3	3.1					
LTM Interest Coverage*	3.1	3.5	3.6					

* Times. LTM = Last twelve months. See page 7 for ratio calculation details.

1) EBITDA = Operating income + depreciation & amortization + impairment of assets.

2) Gross amount; does not include divestments.

2Q22 HIGHLIGHTS

NEW CEO

- Axtel's Board of Directors appointed Armando de la Peña as CEO, effective May 1, 2022.
- Armando was CEO of Foodservice at Sigma and, throughout his 19-year career at ALFA, he held leadership roles at Alestra, ALFA Corporativo, Sigma and Terza.

SPIN-OFF

- On July 12, shareholders of ALFA, Axtel's parent company, approved the spin-off of ALFA's entire ownership stake in Axtel to "Controladora Axtel", a new entity which will be listed on the Mexican Stock Exchange. Upon completion, ALFA shareholders will receive one share of Controladora Axtel for each of their ALFA shares.
- Axtel will maintain the same board, management team, policies, corporate governance, and internal controls.

2022 GUIDANCE

- The Company is updating its guidance figures to reflect results in the Government segment, delay in 5G deployment in Mexico and data center construction, as well as delivery times in components and equipment and the reduced contribution to EBITDA from a major Axnet customer.
 - EBITDA guidance: Ps. 3,300 million.
 - Capex guidance: US \$70 to \$80 million.
- Estimated free cashflow for full-year 2022 of approximately US \$35 million.

MESSAGE FROM AXTEL'S CEO

“As new CEO, my priority is the growth of Axtel through its two business units, Alestra and Axnet. Therefore, we must continue to focus on opportunities that maximize our strengths, providing integrated, innovative, and profitable ICT solutions to serve our customers in the face of current challenges and opportunities.

In Alestra, growth in the Enterprise segment is supported by our business lines strategy, which allowed us to increase the level of new acquisitions by 20% during the first half of 2022, compared to the same period in 2021. In the Government segment, the new organization is focused on renewing contracts and capturing opportunities for 2022. Medium-term, we are actively re-designing a strategy to resume growth in the federal, state and municipal governments.

For Axnet, our commercial team was reinforced to achieve the highest levels of customer service and meet new market demands, while expanding our fiber optic network coverage in strategic locations to capture growth opportunities arising from data center growth and 5G technology deployment.

On July 12, ALFA shareholders approved the spin-off of ALFA's entire ownership stake in Axtel. I am convinced this decision allows us to continue capitalizing on our efforts and to focus on our own strategic agenda. As part of Axtel's long-term growth strategy, we are consistently evaluating partnership or joint investment opportunities to accelerate growth in specific, high-performing lines of business.

We have a qualified team, with extensive industry expertise. We will continue fostering a culture of empowerment and talent development. Looking forward, I am confident that our progress on the different business initiatives currently underway will accelerate the acquisition of new contracts, establishing a solid foundation for better performance in the medium and long-term.”

Armando de la Peña

REVENUES – Business Units

	2022	1Q22	2021	(%) 2Q22 vs.		YTD'22	YTD'21	YTD Δ (%)
				1Q22	2Q21			
SERVICES (Ps.)	2,054	2,147	2,210	(4)	(7)	4,201	4,429	(5)
US \$	102	105	110	(2)	(7)	207	219	(6)
Enterprise (Ps.)	1,866	1,857	1,884	0	(1)	3,722	3,764	(1)
US \$	93	90	94	3	(1)	184	187	(2)
Government (Ps.)	188	290	326	(35)	(42)	479	665	(28)
US \$	9	14	16	(34)	(42)	24	33	(29)
INFRASTRUCTURE (Ps.)	1,101	1,016	1,387	8	(21)	2,117	2,617	(19)
US \$	55	50	69	11	(21)	104	130	(19)
ELIMINATIONS (Ps.) *	(611)	(617)	(614)	1	0	(1,227)	(1,227)	(0)
US \$	(30)	(30)	(31)	(1)	0	(61)	(61)	0
TOTAL REVENUES (Ps.)	2,544	2,547	2,983	(0)	(15)	5,091	5,818	(13)
US \$	127	124	149	2	(15)	251	288	(13)

* For consolidation purposes, revenues of Infrastructure Unit coming from Services Unit are presented as "eliminations".

Total revenues were US \$127 million in 2Q22, down 15% when compared to 2Q21. In pesos, revenues decreased 15%, due to 7% and 21% declines in Alestra and Axtel Networks' revenues, respectively.

INFRASTRUCTURE BUSINESS UNIT ("AXTEL NETWORKS", "AXNET")

Revenues reached US \$55 million in 2Q22; down 21% compared to 2Q21. In pesos, revenues also decreased 21%, mainly due to lower revenues from a wholesale mobile operator customer, as well as a decline in dark fiber contracts from an extraordinary high level in 2Q21.

Revenues coming from Alestra represented 58% of total Infrastructure Unit's YTD revenues.

SERVICES BUSINESS UNIT ("ALESTRA")

Revenues totaled US \$102 million in 2Q22, down 7% compared to 2Q21. In pesos, revenues also declined 7%, due to 1% and 42% declines in Enterprise and Government segment revenues, respectively.

ENTERPRISE SEGMENT (89% of Services Unit YTD revenues)

Enterprise segment revenues totaled US \$93 million in 2Q22. In pesos, revenues were 1% lower than 2Q21, due to a 4% decrease in *standard services*, mitigated by 7% and 5% increases in *value added* and *digital transformation services*, respectively. (Table 1).

STANDARD SERVICES revenues reached Ps. 1,198 million in 2Q22, down 4% year-over-year, mainly due to an 11% decline in voice services representing a smaller drop than previous quarters. Also, VPN & Ethernet solutions decreased 13% due to fewer services and price adjustments with existing customers, partially mitigated by a 3% increase in Data & Internet.

VALUE-ADDED SERVICES revenues reached Ps. 281 million in 2Q22, 7% higher when compared to 2Q21, mainly due to increases in *system integration* solutions related to growth in existing services and extraordinary equipment sales during the quarter.

DIGITAL TRANSFORMATION revenues reached Ps. 387 million in 2Q22, up 5% compared to 2Q21, mainly due to a combined 17% increase in *cloud* and *cybersecurity* solutions, partially mitigated by a decline in *collaboration* solutions.



REVENUES – Business Units

SERVICES BUSINESS UNIT (“ALESTRA”) (cont’d)

GOVERNMENT SEGMENT *(11% of Services Unit YTD revenues)*

Government segment revenues amounted US \$9 million in 2Q22. In pesos, revenues declined 42% compared to 2Q21, due to the termination of contracts, mainly with federal entities. (Table 2). In May, a new organization was introduced with the responsibility to renew contracts and redesign the strategy to resume growth with key existing and new accounts.

STANDARD SERVICES revenues reached Ps. 86 million in 2Q22, 33% lower than 2Q21.

VALUE-ADDED SERVICES revenues reached Ps. 41 million in 2Q22, down 68% when compared to 2Q21.

DIGITAL TRANSFORMATION revenues reached Ps. 61 million in 2Q22, 12% lower compared to 2Q21.

GROSS PROFIT

Gross profit is defined as revenues minus cost of revenues. For 2Q22, gross profit was US \$92 million. In pesos, gross profit totaled Ps. 1,845 million, down 17% compared to 2Q21. Gross profit margin declined from 74% to 73%, due to a change in mix with a smaller proportion of revenues coming from Axnet.

SERVICES UNIT (ALESTRA) gross profit amounted Ps. 826 million, a 13% decrease compared to the year-earlier quarter, mainly due to declines in revenues previously described and lower margins for the enterprise segment due to changes in the revenue mix.

INFRASTRUCTURE UNIT (AXNET) gross profit amounted to Ps. 1,019 million, down 20% compared to the year-earlier quarter, in line with the decline in revenues.

OPERATING EXPENSES AND OTHER INCOME (EXPENSES)

Operating expenses reached US \$57 million in 2Q22; in pesos, operating expenses increased 6%.

SERVICES UNIT (ALESTRA) operating expenses decreased 13% compared to 2Q21, mainly as a result of digitalization initiatives and bad debt recovery.

INFRASTRUCTURE UNIT (AXNET) operating expenses increased 22% compared to 2Q21, due to an increase in bad debt provisions.

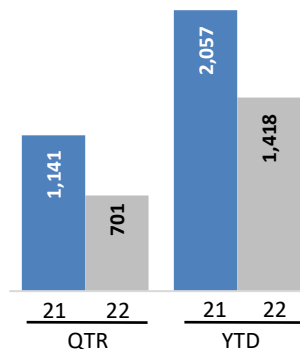
Other income reached Ps. 4 million during 2Q22, compared to Ps. 8 million recorded in 2Q21.

EBITDA

EBITDA totaled US \$35 million in 2Q22. In pesos, EBITDA reached Ps. 701 million, compared to Ps. 1,141 million in 2Q21, a 39% decline.

EBITDA margin decreased from 38% in 2Q21 to 28% in 2Q22 mainly due to the gross profit margin compression previously described and higher operating expenses as a proportion of total revenues.

(in Million Ps.)

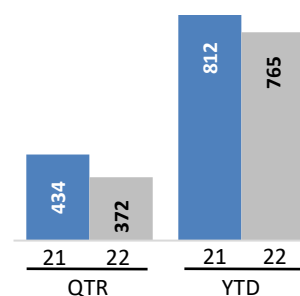


SERVICES UNIT (ALESTRA)

(54% of Axtel's YTD EBITDA)

Services Business Unit EBITDA amounted US \$19 million in 2Q22. In pesos, 2Q22 EBITDA decreased 14%, in line with the decline in gross profit previously described.

(in Million Ps.)

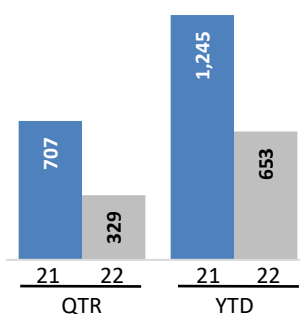


INFRASTRUCTURE UNIT (AXNET)

(46% of Axtel's YTD EBITDA)

Infrastructure Unit EBITDA reached US \$16 million in 2Q22. In pesos, EBITDA declined 54% compared to 2Q21, explained by the decline in revenues and increase in operating expenses previously described.

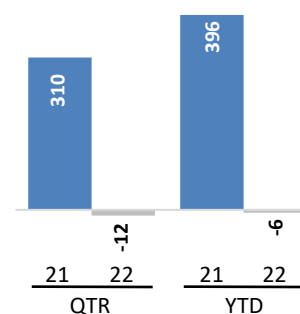
(in Million Ps.)



OPERATING INCOME (LOSS)

The 2Q22 registered an operating loss of Ps. 12 million, compared to an operating income of Ps. 310 million in 2Q21; a drop of Ps. 322 million, as the decline in EBITDA was partially mitigated by lower depreciation and amortization charges.

(in Million Ps.)





COMPREHENSIVE FINANCING RESULT

The comprehensive financing cost reached US \$13 million in 2Q22 or Ps. 254 million, compared to a comprehensive financing gain of Ps. 117 million in 2Q21; mostly explained by a Ps. 9 million FX loss during 2Q22 resulting from a depreciation of the Mexican peso against the US dollar, compared to a Ps. 393 million FX gain in 2Q21. Net interest expenses decreased 11% from 2Q21 to 2Q22, due to a lower level of total debt.

NET DEBT

As of June 30, 2022, net debt was US \$570 million, a decrease of 9% or US \$55 million in comparison with 2Q21; comprised of a US \$33 million decrease in debt, a US \$2 million non-cash decrease in debt caused by an 1% depreciation of the Mexican peso year-over-year and a US \$20 million increase in cash.

Total debt reduction of US \$33 million year-over-year is explained by i) a US \$20 million decrease related to the reduction in the drawn down amount under a committed line facility in September 2021; ii) a US \$7 million decrease in other loans and financial leases; and iii) a US \$5 million decrease due to the amortization of the long-term facility.

As of 2Q22, cash balance totaled US \$87 million (Ps. 1,730 million). Cash in 2Q21 totaled US \$66 million (Ps. 1,313 million).

Financial ratios for the second quarter 2022 were: Net Debt to EBITDA of 3.7 times and Interest Coverage of 3.1 times. (Table 6).

The Company is diligently working to refinance its 2024 Notes, which mature in over two years, having conversations with relationship banks as one of the avenues that might be considered.

CAPITAL EXPENDITURES (CAPEX)

Capital investments totaled US \$16 million in 2Q22 (69% for Axtel Networks and 31% for Alestra); compared to US \$17 million in 2Q21.

Capex as a percentage of revenues remained from 2Q21 to 2Q22 at 12%.

OTHER INFORMATION

- This report presents unaudited financial information based on International Financial Reporting Standards (IFRS). Figures are presented in Mexican Pesos (Ps.) or US Dollars (US \$), as indicated. Where applicable, Peso amounts were translated into US Dollars using the average exchange rate of the months during which the operations were recorded.
- This report may contain forward-looking information based on numerous variables and assumptions that are inherently uncertain. They involve judgments with respect to, among other things, future economic, competitive and financial market conditions and future business decisions and financial performance of the company, all of which are difficult or impossible to predict accurately. These statements reflect management's current views, which are subject to different risks. Accordingly, results could vary from those set forth in this release. The company disclaims any obligation to update statements in this release based on new information available.
- Net Debt / EBITDA ratio: means net debt translated into US Dollars using the end-of-period exchange rate divided by LTM EBITDA translated into US Dollars using the average exchange rate for each month during which the operations were recorded. Net debt means total debt (including accrued interests) minus cash (including restricted cash).
- Net interest coverage ratio: means the ratio of LTM EBITDA to interest expense (net of interest income), both translated into US Dollars using the average exchange rate for each month during which the operations were recorded. Interest expense calculated *pro forma* for debt prepayments.
- To reduce exchange rate risk exposure, Axtel maintains forward transactions for an outstanding amount of US \$27 million @ 20.30 MXN/USD, where Axtel buys USD and sells MXN, hedging approximately 70% of its USD denominated Capex and interest obligations up to November 2022. Additionally, Axtel maintains an interest rate swap ("IRS") for Ps. 1,440 million, maturing in December 2022, where Axtel pays 8.355% and receives TIIE 28d.
- Subject to market conditions, the Company's liquidity position and its contractual obligations, from time to time, the Company may acquire or divest its own shares (AxtelCPOs) or its Senior Notes.

ABOUT AXTEL

Axtel is a Mexican Information and Communication Technology company that serves the enterprise, government and wholesale segments through its business units Alestra (Services) and Axtel Networks (Infrastructure).

Axtel is a subsidiary of ALFA, which owns 53.9% of its equity.

Axtel adhered to the UN Global Compact in 2011 the world's largest social responsibility initiative. It has received recognition from CEMEFI as a Socially Responsible Company since 2008.

Axtel shares, represented by Ordinary Participation Certificates, or CPOs, trade on the Mexican Stock Market under the symbol "AXTELCPO" since 2005.

Axtel's Investor Relations Center: axtelcorp.mx

Alestra's website: alestra.mx

Axtel Networks' website: axtelnetworks.mx

Appendix A – Tables

TABLE 1 | SERVICES BUSINESS UNIT (ALESTRA) REVENUES - ENTERPRISE SEGMENT
(IN MILLIONS)

	2Q22	1Q22	2Q21	(%) 2Q22 vs.		YTD'22	YTD'21	YTD Δ (%)
				1Q22	2Q21			
STANDARD SERVICES (Ps.)	1,198	1,214	1,252	(1)	(4)	2,412	2,568	(6)
VALUE ADDED (Ps.)	281	241	264	17	7	522	486	7
DIGITAL TRANSFORMATION (Ps.)	387	402	368	(4)	5	788	710	11
TOTAL ENTERPRISE (Ps.)	1,866	1,857	1,884	0	(1)	3,722	3,764	(1)
<i>US \$</i>	93	90	94	3	(1)	184	187	(2)

TABLE 2 | SERVICES BUSINESS UNIT (ALESTRA) REVENUES - GOVERNMENT SEGMENT
(IN MILLIONS)

	2Q22	1Q22	2Q21	(%) 2Q22 vs.		YTD'22	YTD'21	YTD Δ (%)
				1Q22	2Q21			
STANDARD SERVICES (Ps.)	86	124	127	(31)	(33)	210	287	(27)
VALUE ADDED (Ps.)	41	85	130	(51)	(68)	126	223	(43)
DIGITAL TRANSFORMATION (Ps.)	61	81	69	(25)	(12)	142	155	(9)
TOTAL GOVERNMENT (Ps.)	188	290	326	(35)	(42)	479	665	(28)
<i>US \$</i>	9	14	16	(34)	(42)	24	33	(29)

TABLE 3 | INFRASTRUCTURE BUSINESS UNIT (AXTEL NETWORKS) REVENUES
(IN MILLIONS)

	2Q22	1Q22	2Q21	(%) 2Q22 vs.		YTD'22	YTD'21	YTD Δ (%)
				1Q22	2Q21			
TOTAL INFRASTRUCTURE (Ps.)	1,101	1,016	1,387	8	(21)	2,117	2,617	(19)
<i>US \$</i>	55	50	69	11	(21)	104	130	(19)
ELIMINATIONS (Ps.) *	(611)	(617)	(614)	1	0	(1,227)	(1,227)	(0)
<i>US \$</i>	(30)	(30)	(31)	(1)	0	(61)	(61)	0

* For consolidation purposes, revenues coming from Services Unit (Alestra) are presented as "eliminations".

Appendix A – Tables

TABLE 4 | OPERATING INCOME AND EBITDA

(IN MILLIONS)

	2Q22	1Q22	2Q21	(%) 2Q22 vs.		YTD'22	YTD'21	YTD Δ (%)
				1Q22	2Q21			
Operating Income (Ps.)	(12)	7	310	--	--	(6)	396	--
US \$	(1)	0	15	--	--	(0)	20	--
EBITDA (Ps.)	701	717	1,141	(2)	(39)	1,418	2,057	(31)
US \$	35	35	57	0	(39)	70	102	(31)
Adjustments* (Ps.)	0	0	0	--	--	0	0	--
US \$	0	0	0	--	--	0	0	--
Comparable EBITDA (Ps.)	701	717	1,141	(2)	(39)	1,418	2,057	(31)
US \$	35	35	57	0	(39)	70	102	(31)
Services Unit (Ps.)	372	393	434	(5)	(14)	765	812	(6)
Infrastructure Unit (Ps.)	329	324	707	1	(54)	653	1,245	(48)

*Adjustments include one-time (gains) losses.

TABLE 5 | COMPREHENSIVE FINANCING RESULT

(IN MILLIONS)

	2Q22	1Q22	2Q21	(%) 2Q22 vs.		YTD'22	YTD'21	YTD Δ (%)
				1Q22	2Q21			
Net interest expense	(244)	(237)	(276)	(3)	11	(482)	(637)	24
FX gain (loss), net	(9)	270	393	--	--	261	86	204
Ch. FV of Fin. Instruments	0	0	0	--	--	0	0	--
Total (Ps.)	(254)	33	117	--	--	(221)	(552)	60
US \$	(13)	2	6	--	--	(11)	(27)	59

TABLE 6 | NET DEBT AND FINANCIAL RATIOS

(US \$ MILLIONS)

	2Q22	1Q22	2Q21	(%) 2Q22 vs.	
				1Q22	2Q21
Senior Notes 2024	440	440	440	(0)	0
Long-term bank loan	155	156	162	(1)	(4)
Short-term bank loans	30	30	50	0	(40)
Other loans + leases	27	23	35	17	(23)
Accrued interests	5	12	5	(57)	12
Total Debt	657	661	691	(1)	(5)
% US \$ denominated debt	72%	72%	72%		
(-) Cash and cash eq.	(87)	(76)	(66)	(14)	(31)
Net Debt	570	585	625	(3)	(9)
Net Debt / LTM EBITDA*	3.7	3.3	3.1		
LTM Interest Coverage*	3.1	3.5	3.6		

* Times. LTM = Last twelve months. See page 7 for calculation details.

TABLE 7 | CHANGE IN NET DEBT

(US \$ MILLIONS)

	2Q22	1Q22	2Q21	(%) 2Q22 vs.		YTD'22	YTD'21	YTD Δ (%)
				1Q22	2Q21			
EBITDA	35	35	57	0	(39)	70	102	(31)
Net Working Capital	16	(14)	(13)	--	--	2	(34)	--
Capex & Acquisitions	(16)	(16)	(17)	4	10	(32)	(31)	(3)
Net financial expenses	(13)	(12)	(14)	(6)	8	(24)	(31)	20
Taxes	(0)	(0)	(1)	--	95	(0)	(21)	100
Other Sources (Uses)	(8)	(4)	(10)	(75)	22	(12)	(9)	(35)
Decrease (increase) Net Debt	15	(11)	3	--	470	4	(23)	--

Appendix B – Financial Statements

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

Unaudited Consolidated Balance Sheet
(IN MILLION PESOS)

	2Q22	1Q22	2Q21	(%) 2Q22 vs.	
				1Q22	2Q21
ASSETS					
CURRENT ASSETS					
Cash and equivalents	1,730	1,520	1,313	14	32
Restricted cash	-	-	-	--	--
Accounts receivable	1,606	1,859	2,250	(14)	(29)
Related parties	17	24	13	(29)	34
Refundable taxes and other acc. rec.	687	696	1,057	(1)	(35)
Advances to suppliers	741	671	697	10	6
Inventories	107	133	115	(19)	(7)
Financial Instruments	4	(0)	2	--	137
Total current assets	4,892	4,903	5,447	(0)	(10)
NON CURRENT ASSETS					
Property, plant and equipment, net	9,541	9,841	10,938	(3)	(13)
Long-term accounts receivable	20	20	-	(0)	--
Intangible assets, net	1,664	1,756	1,755	(5)	(5)
Deferred income taxes	3,013	2,940	2,759	2	9
Investment shares associated co.	1	2	292	(52)	(100)
Other assets	450	357	336	26	34
Total non current assets	14,689	14,916	16,079	(2)	(9)
TOTAL ASSETS	19,581	19,819	21,526	(1)	(9)
LIABILITIES & STOCKHOLDERS' EQUITY					
CURRENT LIABILITIES					
Account payable & Accrued expenses	2,091	2,092	2,433	(0)	(14)
Accrued Interest	104	242	93	(57)	13
Short-term debt	-	-	-	--	--
Current portion of long-term debt	480	399	459	20	5
Taxes payable	-	11	-	--	--
Financial Instruments	0	22	88	(98)	(99)
Deferred Revenue	57	113	90	(50)	(36)
Provisions	25	26	26	(3)	(3)
Other accounts payable	685	618	885	11	(23)
Total current liabilities	3,443	3,523	4,073	(2)	(15)
LONG-TERM LIABILITIES					
Long-term debt	12,472	12,503	13,041	(0)	(4)
Employee Benefits	831	801	781	4	7
Derivative Financial Instruments	-	-	8	--	--
Other LT liabilities	1	1	1	2	14
Total long-term debt	13,305	13,305	13,831	(0)	(4)
TOTAL LIABILITIES	16,748	16,828	17,904	(0)	(6)
STOCKHOLDERS' EQUITY					
Capital stock	455	455	464	-	(2)
Reserve for repurchase of shares	200	200	192	-	4
Cumulative earnings (losses)	2,178	2,336	2,967	(7)	(27)
TOTAL STOCKHOLDERS' EQUITY	2,833	2,990	3,623	(5)	(22)
TOTAL LIABILITIES AND EQUITY	19,581	19,819	21,526	(1)	(9)

Appendix B – Financial Statements

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

Unaudited Consolidated Income Statement
(IN MILLION PESOS)

	2Q22	1Q22	2Q21	(% 2Q22 vs.		YTD'22	YTD'21	YTD Δ (%)
				1Q22	2Q21			
Total Revenues	2,544	2,547	2,983	(0)	(15)	5,091	5,818	(13)
Cost of sales and services	(699)	(743)	(763)	6	8	(1,442)	(1,536)	6
Gross Profit	1,845	1,804	2,220	2	(17)	3,649	4,283	(15)
Operating expenses	(1,148)	(1,092)	(1,087)	(5)	(6)	(2,240)	(2,233)	(0)
Other income (expenses), net	4	6	8	(26)	(49)	10	7	33
Depr., amort. & impairment assets	(713)	(711)	(832)	(0)	14	(1,424)	(1,661)	14
Operating income	(12)	7	310	--	--	(6)	396	--
Comprehensive financing result, net	(254)	33	117	--	--	(221)	(552)	60
Equity in results of associated company	0	-	(0)	--	--	0	(0)	--
Income (loss) before income taxes	(266)	40	427	--	--	(226)	(156)	(45)
Income taxes	95	71	(83)	32	--	166	214	(22)
Net Income (Loss)	(171)	111	344	--	--	(60)	58	--