

## ALPEK (BUY, PT \$32.00)

### Flash: 2022 Guidance

February 21, 2022

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**Alpek** has just published its 2022 Guidance which is aligned with our estimates. The company expects that the fundamentals underlying 2021 results to be maintained in 2022. In Polyester, the volume is expected to increase, considering the absence of weather events that impacted 2021 figures. The company anticipates that integrated polyester margin's in Asia could decline on annual basis, although normalization in the North America-Asia spread will result in a positive effect on Alpek's margins. In Plastics and Chemicals, volumes are expected to remain at record levels, as in 2021; while benchmark margins of EPS will remain stable and polypropylene margins could normalize, adjusting above 2021 record levels, but above historical averages. In that sense, the company estimates revenues of \$8.5 billion (+10% y/y) and an EBITDA of \$1.031 billion (+7.0% y/y). The consolidated volume should increase ~4% y/y and investments could total \$830 million by including the investments of [Octal's](#) acquisition of US\$630 million.

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**POSITIVE implication.** We believe that the aforementioned dynamics would mirror an appropriate result strategy, under an environment that continues to be positive for the company. We reiterate our [BUY recommendation](#) regarding the favorable outlook, highlighting the remarkable financial strength and a very attractive valuation.

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Document for distribution among public

## Certification of Analysts.

We, Alejandro Padilla Santana, Juan Carlos Alderete Macal, Alejandro Cervantes Llamas, Manuel Jiménez Zaldívar, Marissa Garza Ostos, Francisco José Flores Serrano, Katia Celina Goya Ostos, José Luis García Casales, Yazmín Selene Pérez Enríquez, José Itzamna Espitia Hernández, Carlos Hernández García, Paola Soto Leal, Víctor Hugo Cortes Castro, Hugo Armando Gómez Solís, Daniela Olea Suárez, Miguel Alejandro Calvo Domínguez, Luis Leopoldo López Salinas, Leslie Thalía Orozco Vélez and Gerardo Daniel Valle Trujillo, certify that the points of view expressed in this document are a faithful reflection of our personal opinion on the company (s) or firm (s) within this report, along with its affiliates and/or securities issued. Moreover, we also state that we have not received, nor receive, or will receive compensation other than that of Grupo Financiero Banorte S.A.B. of C.V for the provision of our services.

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	Reference
<b>BUY</b>	When the share expected performance is greater than the MEXBOL estimated performance.
<b>HOLD</b>	When the share expected performance is similar to the MEXBOL estimated performance.
<b>SELL</b>	When the share expected performance is lower than the MEXBOL estimated performance.

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### History of PT and ratings

Stock	Date	Recommendation	PT
ALPEK	10/20/2021	Buy	\$32.00
ALPEK	04/20/2021	Buy	\$25.50
ALPEK	02/11/2021	Buy	\$22.00
ALPEK	02/18/2020	Hold	\$19.00

### MSCI ESG Rating scale

CCC	B	BB	BBB	A	AA	AAA
LAGGARD			AVERAGE		LEADER	

\*The MSCI ESG Rating is an indicator that evaluates companies in Environment, Society and Governance (ESG) metrics.

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